

JPRS-WER-84-153

19 December 1984

West Europe Report

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

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19 December 1984

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SORSA URGES SOCIALIST INTERNATIONAL TO PRESS SUPER POWERS

Helsinki HELSINGIN SANOMAT in Finnish 9 Nov 84 p 13

[Article by Juhani Lompolo: "Kalevi Sorsa Wants to Help Super Powers to Negotiating Table"]

[Text] Tokyo--As chairman of the Socialist International's Disarmament Council (SIDAC) Prime Minister Kalevi Sorsa will attempt to meet the highest leaders of the Soviet Union and the United States next spring in order to persuade them to resume negotiations on the reduction of nuclear weapons. This became clear in Tokyo where next year's activities were planned at a session of SIDAC under the chairmanship of Sorsa.

Contacts will now be made after the Tokyo meeting and the goal is that meetings will be arranged for next spring around April--May.

Sorsa believes that a meeting with the newly reelected Reagan will take place:

"Yes, apparently, even though it will, of course, depend on the willingness of the other party. But we will make the contact and strive to arrange talks," stated Sorsa on Thursday to HELSINGIN SANOMAT.

And the same will occur with respect to the Soviet Union? "Yes, this will happen," stated Sorsa, who believes that there is no reason to doubt that contacts will be made:

"I believe that both sides are receptive to the idea of resuming discussions."

"Socialist International Has Credibility"

Prime Minister Sorsa also believes that the Socialist International has opportunities for acting as an intermediary between the super powers for the reason that it has credibility and trust on both sides and it is able to talk with both parties. There are few such organizations. He also says that of the international organizations the Socialist International is, perhaps, the most actively involved in the problematical nature of disarmament, which also gives it authority to talk about these issues. And the role of a third party could now even be fruitful:

"It could even be that in order to advance from this deadlock without hurting the prestige of the super powers -- neither side wants the situation to appear such that it approves the other's proposals and is thus giving in -- a third party could be very helpful," believes Sorsa.

In addition to the leaders of the Soviet Union and the United States, Sorsa as chairman of SIDAC will also make contact with the UN and the movement of non-aligned countries, which is now led by India.

After the death of Indian Prime Minister Indira Gandhi, who acted capably as chairwoman of the movement, Sorsa's intent is to make contact with India's new prime minister, Indira's son Rajiv Gandhi, unless powers within the nonaligned movement indicate otherwise.

Socialist International Will Arrange Its Own Conference

Next year's activities of the Socialist International will also include the same kind of broad disarmament conference that was held in Finland in 1978. The organization of a conference was been offered to a European member party, but it is not now Finland's turn. The intent is to conduct this conference, which is to be held in the fall, at the highest level: the leaders of member parties as well as high-level representatives of the super powers, the UN, and the nonaligned movement will be invited. The disarmament council, which convened in Tokyo, presented an appeal to the two super powers to resume negotiations on the reduction of nuclear as well as conventional weapons.

It states in the appeal that the public assurance of the reelected U.S. Government to strive for meetings between the super powers at the earliest date possible offers an important new opportunity. This combined with the USSR's expressed willingness to participate in serious negotiations makes it imperative that decisive negotiations commence in 1985. Mankind cannot afford another "lost" year such as 1984 (in which no progress was made in the area of disarmament), states the appeal.

10576

CSO: 3617/28

PAPER ON SORSA'S RAISED INTERNATIONAL PROFILE IN ARMS ISSUES

Helsinki HELSINGIN SANOMAT in Finnish 10 Nov 84 p 2

[Editorial: "Sorsa Raises Profile"]

[Text] Prime Minister Kalevi Sorsa's intent to bring about a summit meeting of the leaders of the two super powers reveals that SIDAC, the Socialist International's Disarmament Council, now believes that it sees a light at the end of the tunnel of international tensions. Indeed, **SIDAC** led by Sorsa has maintained a low profile in recent years after its delegations travelled from one capital city to another only to observe that there was no desire behind the favorable words of the super powers to implement disarmament or even limits.

Immediately after the U.S. elections the disarmament council led by Sorsa in a meeting in Tokyo decided to consider as serious President Ronald Reagan's offer of negotiations to the Soviet Union. This conclusion is clearly supported by the American thinking that considers that Reagan will seriously strive for disarmament in his second term after promoting an increase in armaments in his first term. Indeed, Reagan has also strengthened his position against the criticism of the Republican right wing.

SIDAC's intentions are also supported by a group of previous decisions of the U.S. Congress, which have tied nearly all of Reagan's controversial arms decisions to the offers made to the Soviet Union. Congress has decided that additional appropriations will not be granted for new missile systems or for the development of the technology needed for a space war unless Reagan makes a serious effort to enter into arms limitation talks with Moscow by March--April. The elections did not change power relationships in congress to the point of negating these decisions.

The Soviet Union has repeatedly pronounced the Sorsa-led SIDAC to be welcome. Sorsa will without a doubt receive an authoritative invitation in connection with his intended trip to Moscow next winter or spring. The Soviet leadership has also not rejected the reelected Reagan, but, on the contrary, has encouraged him to make positive moves. Moscow's own problem is primarily to get the leadership machinery of its foreign and security policy into an operating arrangement so that super power negotiations would be possible.

The signs of the international mediation role outlined by Sorsa are thus positive. Certain other signs of the time also increase hopefulness as long as something can be accomplished by the spring. At that time the two leading super powers will both be observing the 40th anniversary of victories won in a jointly fought war. This will also provide an opportunity for joint meetings. Of timely interest is the 10th anniversary celebration of the Helsinki CSCE meeting, the observance of which has already been agreed upon at the appropriate level by the CSCE countries next summer in Helsinki.

At this time it is completely naive to predict that the CSCE anniversary celebration in Helsinki will be conducted at the level of state or government leaders. But it is, nevertheless, certain that this will be the case if the time is ripe.

Thus the timing of the mediation intent on the part of the Sorsa-led SIDAC with respect to the super powers is excellent. In this sense it is a realistic example of actions in international relations, of which there should be more in the gloomy super power competition. This kind of activity brings well-deserved recognition to the promoters in spite of the fact that SIDAC or the UN or any other organ cannot get the super powers to come to the negotiating table unless they themselves want to come.

10576

CSO: 3617/28

WEST EUROPEAN NEUTRALS PLAN CLOSER COOPERATION

Helsinki HELSINGIN SANOMAT in Finnish 25 Oct 84 p 11

[Article: "Europe's Neutral Countries Want to Increase Cooperation"]

[Text] Europe's four neutral countries, Switzerland, Austria, Sweden, and Finland, intend to study possibilities for increasing mutual practical cooperation in foreign policy questions.

This was confirmed by the state secretaries of the foreign ministries of the four countries in question when they met on Tuesday in Helsinki. The highest officials of these foreign ministries at this meeting discussed the international situation, including East-West relations, disarmament, the CSCE process as well as certain territorial crises, stated the communique issued at the conclusion of the meeting.

These meetings of state secretaries from Europe's four neutral countries were begun 10 years ago. It was decided to hold the next meeting next year in Vienna.

President Mauno Koivisto received the state secretaries on Tuesday and talked with them for an hour. East-West relations were the main topic of conversation in the discussions held with Koivisto just as at the meeting itself, states Swedish representative Pierre Schori.

"When the international situation is tense, the neutral countries also have reason to increase their contacts," says Schori. He mentions the need to make cooperation in the UN more effective as an example of this. However, Switzerland, which is not a member of the UN, would not be able to participate in this.

Schori also confirmed the necessity of defining the concept of neutrality more precisely, an issue that has come up in connection with the cruise missile question.

In discussing the 10th anniversary session of the European Security Conference to be held in Helsinki next year the state secretaries confirmed that it will very well be conducted at the highest possible level. Central America was the primary subject of territorial crises. State Secretary Matti Tuovinen was the host of the Helsinki meeting on Tuesday.

DIFFERENCES IN GREEK POLICY ON CYPRUS NOTED

Nicosia 0 FILELEVTHEROS in Greek 3 Nov 84 p 3

[Text] There is no disagreement between AKEL and government spokesman, Mr. A. Khristofidis. The disagreement exists between AKEL and the government of Cyprus and, more specifically, between AKEL and President Kyprianou. It is a disagreement of the policy to be followed, vis-a-vis the question of Cyprus, in the handling of its various aspects in a practical and effective manner. The disagreement surfaces now that talks are taking place in New York during which the immediate future will be defined and, later on, the long-term one. It is no longer a time for idle talk, but for practical deeds. It is the time for what we will say to U.N. Secretary General Cuellar and what we will reply to the various positions of the leader of the Turkish-Cypriot community, Mr. Denktas. For this reason, the crisis comes to the surface, the disagreements on how we will proceed.

It is of no use whatsoever to hide the weakness that our front shows. And whether we like it or reject it, our front is not only the Greek-Cypriot one, but the Greek front as well. And it is with sorrow that we discover that there are disagreements in Greece as well and a crisis in the facing of the national problems, prominent among which is the question of Cyprus. The latest speech of the president of Greece, Mr. K. Karamanlis, constitutes an expression of the disagreement of the supreme ruler with the policy of the Papandreou government and neither the avoidance of the government's remarks nor anything else can hide reality. It is indisputable that Mr. Karamanlis, who has reached the highest office he could have thought of in his life, does not have personal ambitions other than to offer his last positive services to the nation. And this leader disagrees with the manner in which the government of the country handles the problems of the people and national matters.

If we do not make the correct determinations, there is great danger of foundering. And the correct determination is that we find ourselves facing a serious policy crisis. The newspapers are not the kind that can easily defame this or that person this or that way. We do not have the right to characterize as treasonable, or as yielding, this or that view. We consider and regard all of them to be the result of the agonizing for the future of this country.

The future cannot be ensured with today's disintegrating condition that our internal front shows. Today's situation immediately has the following two basic results:

First, it weakens our strength and spreads pessimism and disillusionment among our ranks; and

Second, it reinforces the intransigence of the other side with the result that it hampers progress towards a solution of the Cyprus question.

What can be done? A way must be found to reach a settlement on the basis of hard facts, based on the objective reality of the common policy that the people must follow in order to be saved. It is a difficult job, but not an impossible one. If all leaders declare that they are capable of leading the hard struggle by our people to a happy ending, why are they not capable of defining a common national policy, a common course for our struggle? If they are incapable of doing this, they are incapable of leading this nation.

9731

CSO: 3521/82

ISLAND INCREASINGLY CONCERNED OVER VIOLENCE IN SOCIETY

Alcohol Ban After Seven Deaths

Copenhagen BERLINGSKE TIDENDE in Danish 23 Oct 84 p 10

[Article by RB]

[Text] The town council in Scoresbysund has proclaimed a ban on alcohol after seven deaths in one month.

The northernmost town on Greenland's east coast, Illorqqortoormiut (Scoresbysund), is now going to be completely dried out of alcohol.

The ban goes into effect on Monday. This measure was taken by the town council in response to the feelings expressed by a large number of the town's 500 inhabitants to ban alcohol for the present.

This was decided after seven deaths in a little more than three weeks were attributed to alcohol abuse.

A father of one family committed suicide after first having killed his wife and three small daughters. Another man also killed himself and last week one man beat to death the person he was living with.

The small town feels it cannot go on like this.

Previously alcohol was rationed. Only three drinks a day were permitted or one could save up a total of two weeks, i.e. 36 drinks.

If the rations were not picked up they were forfeited.

Communities on Greenland have far-reaching authority in deciding over the sale of alcohol.

It has not been decided how long the ban on the sale of alcohol will remain in effect.

Violence, Alcohol Biggest Problem

Copenhagen BERLINGSKE TIDENDE in Danish 1 Nov 84 p 9

[Article by Henning Ziebe]

[Text] It used to be that tuberculosis was the greatest health-hazard on Greenland but now it is violence and alcohol abuse which have become the greatest health problems. Eight times more cases of violence are committed here than in a town like Esbjerg, and more than 20 times as many cases of violence against women than there are in Denmark.

This has been revealed by an investigation of violence on all of Greenland in November and December of last year, and published by the UGESKRIFT FOR LAEGER [weekly journal for doctors]. There were 946 injuries recorded in two months, of which more than a third were caused by violence, 42 percent were caused by accidents and some 20 percent were injuries sustained under the influence of alcohol.

The investigation shows that about 80 percent of both the violators and the victims of violence were under the influence of alcohol. In more than 80 percent of the cases men were the violators and in cases of couples, almost 80 percent of the victims were women. But the figures have to be taken with some reservation as women often are threatened with revenge if they tell health service personnel about what happened.

Doctors on Greenland report that the injuries from violence consistently are more serious than the corresponding Danish cases investigated and that it puts considerable stress on the health service personnel to treat so many injuries caused by violence--just as it is stressful to treat so many, frequently aggressive injured patients who are under the influence of alcohol--mostly in the evenings and during the night. Moreover, it is also expensive for the community.

The doctors stress that the violence most often is committed by younger men under the influence of alcohol, thus the male role and the alcohol abuse are considerable causal factors in the large amount of violence on Greenland.

9349

CS0: 3613/21

KAKELA NAMED SKDL SECRETARY

Helsinki HELSINGIN SANOMAT in Finnish 29 Oct 84 p 9

[Article: "Reijo Kakela Elected New General Secretary of SKDL"]

[Text] Reijo Kakela, special research worker of the Education Ministry, (Communist), was elected the new general secretary of the SKDL [Finnish People's Democratic League]. Kakela's election was confirmed at a meeting of the SKDL Executive Council over the weekend in Helsinki.

Kakela will assume his new post in the beginning of November. His predecessor, Jorma Hentila, will then become the chief editor of ALKOHOLIPOLITIIKKA.

The SKDL Executive Council had to take a vote on the position of general secretary. Kakela beat out his opponent, Seppo Timonen, by a vote of 22--5, with one council member abstaining. The vote was proposed by Pirkko Turpeinen.

Kakela, 41, is by education a candidate of theology, in the SKP [Finnish Communist Party] he is considered to be a supporter of Chairman Arvo Aalto. During SKDL Chairman Kalevi Kivisto's ministerial term Kakela was Kivisto's political secretary.

A celebration of the 40th anniversary of the people's democratic organization was held in connection with the meeting of the SKDL Executive Council. The 2-day meeting concluded on Sunday.

10576

CSO: 3617/28

AS CHIEF STEPS DOWN, SKDL AT IDEOLOGICAL CROSSROADS

Helsinki HUFUVDSTADSBLADET in Swedish 7 Nov 84 p 2

[Editorial by Jan-Magnus Jansson: "A Vacant Chairmanship"]

[Text] The appointment of SKDL [Communist People's Democratic League] boss, Kalevi Kivisto, as provincial governor creates a gaping void in the SKDL leadership, already contending as it is with difficult and crucial problems, writes Jan-Magnus Jansson.

The appointment of Kalevi Kivisto as provincial governor in Jyvaskyla leaves a gaping void in the political landscape.

Kivisto's tenure as SKDL chairman could be characterized as fairly progressive. When he succeeded Ele Alenius in 1979, it meant that ideology was replaced by realpolitik. Alenius believed in his blue-white socialism to such a degree that he offended powerful communist forces both inside and outside the party. Kivisto's style of pursuing politics has been more pragmatic, though not lacking in conviction.

Kivisto's political line has been left-wing cooperation. Within the scope of such cooperation, his SKDL socialists were able to move into a secure place at the interface between the Social Democrats and the Communists. It was after the SKDL--much against Kivisto's wish--landed in the opposition in 1981 that the opportunities for playing a mediating role were reduced. The chances that the party may return to the government are fairly remote in the present situation. There is also little need for the Social Democrats to take the SKDL into account.

Although his party made a bad showing numerically, Kivisto played what was probably his most visible role in the presidential campaign. Only then did he become known in wider circles as a sober, reasonable and intellectually actue person, able to win sympathy--but not votes--across party lines. It is not likely that Jyvaskyla has anything personal against him, in spite of the intensive countercampaign.

One of the things Kivisto did during the presidential election was to decide the election in the electoral college in favor of Koivisto by offering him the support of the SKDL in the very first round. The exception to this task the eleven minority-communist electors who cast their votes for Kivisto himself, a person for whom they care little otherwise. In all his political appearances, Kivisto proved himself to be "the president's man," a label which few other professional politicians can claim.

The interesting question now is how the SKDL as an organization and particularly the SKDL socialists can manage without Kivisto. Everyone knows that the league is in a bad way with respect to both its internal unity and voter support. The most pressing problem, however, is that there is hardly a non-communist in the SKDL who can assume the mantle of the league's chairperson.

It has of course been shown that in politics a fairly unknown name can emerge and later turns out to be good. The standard example is Sorsa. But among the names now circulating in the discussion regarding Kivisto's successor none are impressive. Ilkka-Christian Bjorklund, an intelligent debater in the spirit of Alenius, could be an exception here. The possibility that he might be offered the post appears slight, however, and the probability that he would accept is even more remote. When he retired to the Nordic Council, he was extremely uncomfortable with his membership in the SKDL and more or less fell out of favor among the more dogmatic elements among the Communists. Is there any reason to think that anything has changed here?

If, however, a Communist can be elected as SKDL chairperson, there is a wider range of choices. But this would mean a fundamental break with a position that has been held since the very founding of the league, namely that a non-communist shall be the SKDL's figurehead. It would also be a departure from the trend of the last few years, in which the SKDL's relative independence of the Communist Party has been strongly stressed.

More important than the question of leadership in any case is the question of the SKDL's future in general, and especially that of the SKDL socialists. In general it can be said that a left-wing socialist party has emerged and continues to emerge in many countries. The need for such a party has arisen because the social democrats have become increasingly more moderate and have in fact abandoned the earlier socialist positions. The so-called independent socialists in the German Weimar Republic are an early example of this. The Socialist People's Party in Denmark and the Socialist Left-Wing Party in Norway demonstrate that such a party can completely overshadow the communists under certain conditions. The SKDL bears the permanent marks of the circumstances in which the party came to being. It was of course first intended as an organization to "round up" social democrats and others who were likewise dissatisfied with the war policy and prepared to cast off their former party loyalties, yet not willing to go all the way to becoming communists. This policy bore very modest fruit. As a memory of this period, the present organization exists as one in which the Communist Party plays a "leading" role and at the same time free-floating non-communist socialists play a part as well.

An attempt to organize the latter was made a few years ago, when a delegation of the SKDL socialists was founded with Ele Alenius as chairman. The delegation has not been heard from much since.

Bold ideas concerning a fundamental reorganization are proposed by Aarne Saarinen in his recently published memoirs. Here he says that a "united workers' party" should be rallied to the side of social democracy, a party founded on the principles of Marx, Engels and Lenin for the purpose of introducing socialism in Finland in a democratic and peaceful manner. It would be necessary for the Communist minority wing to leave and form a separate party. The majority Communists could go along with the SKDL socialists.

A change in our party life in general would probably be justified, and then the solution suggested by Saarinen would also be possible. We have not come that far yet, though. As things now stand, the SKDL socialists are suffering from a kind of credibility crisis by appearing to be an appendage to a large and divided Communist Party.

Moreover, there is reason to believe that the gains in seats made by the greens occurred to a very great degree precisely at the expense of the SKDL socialists. Kivisto was among the first on the left to advocate the soft values, and the SKDL constituency has evidently included quite a large group of crossovers with hazy ideas about socialism but an aversion to party discipline. The message of the greens has an especially strong appeal for them.

It is at such crossroads that the SKDL is replacing its chairman, after having quite recently changed its secretary general.

9992

CSO: 3650/55

DIRE CONSEQUENCES FEARED FROM PAPANDREOU'S OUTBURSTS

Athens I KATHIMERINI in Greek 7-8 Oct 84 p 8

[Article by E.: "Dangers..."]

[Excerpts] "Take away his words... and there is nothing left!" Yes, we agreed.

But the thing is that "words" are a strong, dangerous weapon. From Hitler to Khomeyni, "words" have destroyed strongholds, they have carried people away, they have supported tyranny.

We are now living through a phenomenon which we hope, as with a disease, will be of a light nature.

We are living, we are watching and we are paying for the strength of "words," of demagoguery, of the exploitation of a talent which, more than anything else, has the power to carry the people away.

Not everyone, to be sure, but most of them. Many Germans had become aware that Hitler was paranoid, but there were not enough of them.

And let us not forget that not so many years ago, "educated" Athenians, free and mature citizens, were enthusiastically applauding the shouted and unintelligible slogans spouted by a demented military. They went willingly to squares and government halls and they listened to him with a mixture of surprise and admiration.

But the only good thing, when it came to this low-class demagogue of the 7-year period, was that his words did not go beyond Greek borders, did not reach foreign newspapers, perhaps because it was impossible to translate them.

But now, they do cross our borders.

They are being translated, they are being sent on the wire to thousands of newspapers and they are being received by the offices of newsmen and editors working on foreign news.

"Look here! The Greek prime minister, Pa-pa-pandreou, is referring to the Jumbo jet!" "What is he saying?"

"He is saying that he is convinced that it was a spy plane, that it had been sent by the CIA to violate Soviet borders..."

"Well, O.K., but why did he say all that? What did he use in support of his statement? What does the report say?"

"It says nothing more."

Like everyone else, the foreign correspondent could not understand why Andreas, speaking to his own deputies in a familiar political environment, had felt the need to bring up last year's disaster.

It was the first time the prime minister of a free country had directly, "courageously" accused the United States and its secret services of an inhuman crime.

"Reagan impudently attacks Andreas!" was the title sprawled on the front pages day before yesterday, which attempted to pick a fight with the obviously oblivious and indifferent U.S. President. Because he, or his people, dared call Andreas "irresponsible."

"Irresponsible!" An impudent provocation, such audacity, such an anti-Greek statement, an explanation should be demanded forthwith...!

We can call them criminals, but they cannot label us as "irresponsible!" Are we made of the same stuff? The Greek ambassador should go immediately to the State Department to put them in their place!

And here we reach a delicate point, when we reach the conclusion that these resounding statements, these pseudo-courageous words satisfy some inner thirst among our people.

"We," as many as "we" are, find them ridiculous and eventually dangerous, but there are others who admire them.

The problem is to know how many, and for how much longer....

One thing is sure: he will continue to spout them. By using the same slogans, he has already won a bigger audience than he could ever have hoped. Why should he change? He will go on talking, talking, talking.... He will be saying what they want to hear. Action is not necessary, "words" are sufficient.

To come back to reality, all this incoherence in our foreign policy, this flirting with Jaruzelski, these games with al-Qadhdhafi, these continuous micro-provocations vis-a-vis the West, are being entered in a ledger. And everything will be charged to us one day. One day that is approaching, one day in November, when, as it is expected, Ronald Reagan will triumph at the polls. It is not difficult to understand why Americans are pleased with the President they have had these last 4 years, and why they wish to re-elect him. Ronald Reagan

possesses one of the most precious attributes a politician can have. He is, without doubt, a likable man. He communicates with others in friendly fashion, he is unaffected, smiling, he makes mistakes and admits them, he listens to his advisors. Every American would like to have him as a relative, a brother, a friend. Why not have him as President?

At that time, the electoral campaign will be over and, together with it, the influence that the Greek element, the Greek voters and the Greek lobby exercise on the U.S. political horizon. At that time, the accumulated antipathy against the feats of our foreign policy will break out like a storm.

And here we have again the proud words.

"What do we care? As if they ever really liked us! As if they ever helped us in our important national issues! Did they ever side with us? Isn't it better for us to maintain, as Andreas wants, a proud stance?"

Of course it would be better. It would be better if we were independent, strong, wealthy, armed, and it would be even better if we were isolated in a remote area of the world, without any neighbors.

It would be better, if we did not need anyone, if we could be indifferent to all the antipathy, be it justified or not.

It would be better, not only if we would not be the ones to pay the bill for all the pride and the "words," but if it were not very probable that the results would redound to the benefit of our astute neighbors.

Who, to be sure, are following with exultation our diplomatic tightrope achievements.

"Go on, Andreas, tell them some more!"

Because they have nothing to lose.

CSO: 3521/41

WEU REVIVAL SEEN NEGATIVE FOR NATIONAL INTERESTS

Athens TO VIMA in Greek 27 Oct 84 p 3

/Article by Giannis Roumbatis/

/Text/ If, in the long run, the meeting of the foreign affairs ministers of France, Great Britain, West Germany, Italy, Holland, Belgium and Luxembourg is successful, the revival of the West European Union (WEU) could have negative consequences for Greece. No matter how much the Greek Government has been reflecting a picture of "calm indifference" to this issue over the past few months, the possibility that the WEU could constitute a pole of attraction and an authority of independent strength within NATO has been the subject of discussions in Greece too.

This is so because so long as Greece remains a member of the Atlantic Alliance developments within that body have, up to a certain point, direct consequences on Greek defense and foreign policy.

It appears that the reactivation of the WEU is taking place for two main reasons. The first relates to the effort being made by the European countries to obtain some of the financial benefits that the new emphasis by NATO on conventional weapons entails. The second relates to procedures with which the Atlantic Alliance functions.

In all the discussions that have taken place up to now the common point has been the conclusion that the central concern in defense planning in Europe must be the "central front" and not "on-site problems" in NATO's distant wings.

These decisions were not, of course, made during the summit conference between President Mitterrand and Chancellor Kohl that took place in Rambouillet at the end of last spring. However, it was there where the two leaders made official their decision to become West Europe's "hard core."

The fact that this decision was made official is not of mere academic interest to Greece. Speaking before the European Parliament on 24 May, President Mitterrand said that he himself had made the decision "for the construction of the union of Europe."

The French president added, "I do not have in mind a two-speed Europe and all are invited to participate."

Chancellor Kohl was even clearer after his meeting with Mr Mitterrand. Mr Kohl said, "The door is open to all. However, one thing must be made clear: We are, in any case, resolved to move forward because we want to be the moving power of the Europe of the future."

The two leaders, however, do not speak only about a political union of Europe. They speak of a union where European countries will coordinate not only their economic policy but their foreign and defense policies.

In other words, their proposals for the speed-up of a European union do not merely refer to the abolition of frontiers. They also refer to "common defense." However, neither Mr Mitterrand nor Mr Kohl leaves any doubt that the drawing up of a strategy for "common defense" in Europe is directly linked with NATO.

Speaking to the WEU parliamentary session last May in Paris, West German Minister of Foreign Affairs Hans-Dietrich Genscher referred to exactly this issue. He said the goal of the WEU's revival is to have this body become the coordination center "for all issues where a common European stance in the (Atlantic) Alliance is desirable."

Will this, however, be a European policy that will not include those checks that are expressed by countries such as Greece. Checks that can be expressed exactly because the process for consent exists in NATO.

In the past 2 years, the planners of the alliance's tactical dogma have been putting more and more stress on the need to have NATO's military forces increase their conventional weapons. The WEU will also become a body for the coordination of the member countries' war industries so that the European countries might benefit from the changes in NATO's weapons systems.

Economic pressure from this development is increasing on countries like Greece. This is so because the Greek Government is now facing one more dilemma relative to NATO: Either it comes to terms with its European partners in NATO or its war industry does not benefit at all from the markets that will be created for the sale of new conventional weapons systems.

All of these developments concerning the WEU appear to have negative consequences for Greece because in all areas where the Atlantic Alliance is active, namely political, economic or strategic, Greece is called on to either completely go along with the "leading powers" or else continue fighting for the rights of "small member countries." Rights that are ensured by the present NATO constitution but that do not serve --at this time-- the political choices of the "big" partners of Greece in the alliance.

5671

CSO: 3521/71

CREATION OF ALLEGED 'PRAETORIAN' GUARD PROTESTED

Athens MESIMVRINI in Greek 31 Oct 84 p 17

/Article by Mikh. Kanimas/

/Excerpts/ Green guards, who will be selected by the minister of public order himself and who will be armed with automatic weapons, will be stationed at important points in Athens on the pretext of guarding NPDD /Legal Entity of Public Law/, organizations of common benefit and public enterprises. The private citizens who will be hired without any competitive examination will carry automatic MP5 HECLER HOC weapons (manufactured by the Greek Arms Industry) as well as revolvers or pistols. Before they assume their assignments they will receive 4 weeks of training in police schools.

This praetorian body will assume responsibility for --among other things-- the guarding of IKA /Social Insurance Foundation/, the vegetable market, OKA /Farm Insurance Organization/, the Tobacco and Cotton Organizations, even hospitals (!!) that have never had large financial assets at their disposal or that ever needed a permanent presence of armed guards. The official justification for the establishment of this literally-speaking parastate body is the creation "of specialized personnel for the security, guarding and escorting of those engaged in handling money." The Ministry of Public Order has already given orders to 40 NPDD to see to it that they be supplied with the proper weapons "given the fact that" --as mentioned in the relevant document-- "the hiring of this personnel (note: that has been approved through decisions of the three-man ministerial committee) will take place as quickly as possible and their training will be given with the same kind of weapons (MP5)."

They Will Replace the Police

The green guards who will be hired will number between 1,000 and 2,000 (according to various estimates) and will replace police. They will be paid by the services to which they will be assigned. However, they will be supervised by the Ministry of Public Order,

The establishment of the praetorian guard force takes place through the implementation of Law 1339/83 (Art 19) that specifies the following: "For the security or the guarding of any NPDD, organization of common benefit and public enterprise, as well as for the escorting of persons handling money, the hiring of private citizens is permitted, these persons having the necessary qualifications for this assignment, through a decision of the minister of public order and through outlays made by the NPDD, various organizations and enterprises themselves. The manner of hiring, the qualifications the personnel must have and the check on their qualifications, their obligations and the possibility of their being armed and trained in police schools, as well as any other detail, are to be set by a decision of the minister of public order."

The minister's decision No. 21496, dated 9 December 1983, sets the selection of the personnel in an arbitrary manner since the minister is not bound by the suggestions of the special three-man committee which, according to the decision, is established to make the selections.

This issue has to do with an "innocent" legislative action that did not create many suspicions despite the fact that it was fought by ND when it was discussed in the Chamber of Deputies (Deputy K. Sapsalis asked the minister what kind of weapons these guards would have but he did not get an answer). Its implementation now leaves no doubt that PASOK is readying an "army" of armed trusted persons whose upkeep will be assumed by public enterprises and not the regular budget as would have been the case if the police had assumed the guarding assignment, even with an increase in their forces (since there was such a need).

5671

CSO: 3521/71

NEW DEMOCRACY AFFECTED BY INTERNECINE DIFFERENCES

ONNED Leadership Changes

Athens I KATHIMERINI in Greek 1 Nov 84 pp 1-2

/Text/ Yesterday, the president of the New Democracy, Mr Kon. Mitsotakis, proceeded with a "partial change of guard", as he himself described it, thereby replacing the president, vice president, and four members of the Executive Committee of ONNED /Youth Organization of the New Democracy/. Mr Mitsotakis praised the ones who were removed, Mssrs V. Mikhaloliakos and M. Manolakos, emphasizing (twice during his brief announcement) that the terminated officials will be used in other positions.

Mr Evangelos Meimarakis was appointed as the new president of the youth. He will remain up until the elections of ONNED that will take place in three months for which the appointee will not be a candidate.

The New Composition

Yesterday night, at the party offices, Mr Mitsotakis, in front of departing president and vice president of ONNED, Mssrs V. Mikhaloliakos and M. Manolakos, presented the new members of the new Executive Committee of ONNED that is composed of the following persons: President: Evangelos Meimarakis, Responsible for the Plain of Attica: D. Kosionis, Students: G. Anagnostakos, Enlightenment: Left. Zagoritis, District Organization of Provinces: G. Voulgarakis, Public Relations: Vaios Stathopoulos, Agrarian Liaison: Andr. Lykouratzos, Educational: G. Delakis, Rally Programming: K. Markopoulos, High School Students: G. Xanthakis, Responsible for Thessaloniki: K. Belimbasakis.

The new president of ONNED made the following statement: "It is difficult for one to follow a fighter like Vasili Mikhaloliakos who gave ONNED a great deal of aggressiveness. I believe that we will coexist and help each other for the victory of our party. We will proceed to establish electoral procedures and to hold an ONNED congress. This way for the first time, a Greek youth organization will get an elected president.

Rebellion Within ONNED

Athens I KATHIMERINI in Greek 2 Nov 84 p 1

/Text/ The removed president and vice president of ONNED, Mssrs V. Mikhaloliakos and E. Manolakos, have been trying to cause a rebellion since yesterday. Followed by a small number of supporters, they have placed themselves in the party offices of the youth, refusing to turn the management over to the new leadership. The two former top officials of ONNED already have against them a series of incidents that happened yesterday at the offices on Nikitara St. among those with opposite opinions, during which members of the new administration that tried to move into their offices were beaten. Mr K. Mitsotakis later yesterday night gave Mssrs Mikhaloliakos and Manolakos until this morning to vacate the offices and abandon this improper conduct. Otherwise, the ND leadership will proceed to take immediate party punitive measures against these officials and restore the normal operation of the party youth under its new administration. The president of the party is considered to have exhausted all the means and also all the limits of patience against the two "rebels" who caused such a turmoil.

What made an impression was the fact that despite the aggravation of the improper incidents yesterday, the honorary president of the ND, Mr Averof, who had also selected the old ONNED leadership, did not consider it proper to proceed to any declaration to at least calm things down. To the contrary, according to journalistic information, certain deputies and officials in Averof's group are believed probably to have encouraged the "rebellion".

After the incidents of the day before yesterday that were restricted in scope, during which the followers of the replaced administration in front of the party offices on Rigillis St. intensely disapproved of the new ONNED president, Mr Vang. Meimarakis, calling him an "alien body" and "absent from the struggles of the array", new more serious incidents this time happened yesterday morning in the ONNED offices.

Specifically, about 10:30 in the morning, the new president of the youth, Mr Vangelis Meimarakis, arrived at the offices on Emm. Benaki and Nikitara Sts, accompanied by Mr Angelos Moskhonas present head (Mr Mitsotakis appointed him) of Special Party Organizations.

Since early morning, however, members of the Local Committees of the youth from the Plain of Attica, favoring Mikhaloliakos and Manolakos, had gathered at the central ONNED offices and stopped Mssrs Moskhona and Meimarakis from taking over their offices.

During the time of the accelerated incidents that followed, Mssrs Meimarakis and Moskhonas were kept in the elevator of the building at first and after they were let out, they were beaten by infuriated ONNED members and had to run away. Mssrs K. Markopoulos and L. Zagoritis were chased away in the same manner. As new members of the Executive Committee of ONNED they appeared at that moment at the youth offices. These incidents caused damages at the entrance of the building where the ONNED offices are located (the entire glass part of the entrance door was shattered) as well as to the elevator of the building.

The members of the Local Committees who were in the offices repeated until late noon their intention of not permitting "people who were absent from the struggles of ONNED, to take over its management".

Besides, as it became known, infuriated ONNED members attacked and beat Mr G. Xanthakis (member of the Executive Committee who was appointed by Mr V. Mikhaloliakos and remained with the new formation) in the ONNED offices, accusing him of being a "traitor to the struggles of ONNED and its members".

After all these developments, ONNED substantially remains without any leadership, since the newly assigned Executive Committee cannot take over their offices and fulfill their duties.

Answer to the Ultimatum

At midnight, the first signs of the degeneration of the "rebellion" were noted. Mssrs Mikhaloliakos and Manolakos answered Mitsotakis' ultimatum, stating: "We will stay in the ONNED offices all night, trying to convince the representatives of the local committees and the other dissenters to accept the new leadership so that its installation can occur regularly tomorrow (today) morning".

Mitsotakis on Averof

Athens I KATHIMERINI in Greek 2 Nov 84 pp 1,3

The president of the ND, Mr K. Mitsotakis, covered Mr Averof, the honorary president, yesterday in regards to his intervention. Both on the subject of his statements on foreign policy and on the subject of the improper incidents at ONNED that were caused by the old leadership of the youth that supported Mr Averof, Mr Mitsotakis supported that on the one hand, the present honorary president of ND is always at an understanding with him and within the limits of the party line and on the other hand, he had nothing to do with the improper incidents that occurred. More specifically, in regards to the incidents on Notara St., Mr Mitsotakis, even though he avoided naming the instigators whom he knew, both the moral and natural ones, implied that they may be dropped from the party, saying that "there is no room in a party such as ours for these natural instigators".

Mr Mitsotakis' interview that deals mainly with the ONNED incidents follows:

The Questions

Question: Mr president, we learned this morning that some incidents occurred on Notara St and specifically we learned that since yesterday, the new leadership was not allowed to go to their offices by some members of the old leadership.

Answer: Yes, they are still occurring. Some small incidents are still occurring. There is an organized resistance by a few. The problem is not important from the point of view of numbers, or from the point of view of the extent and I have the impression from the information I have that there are certain extremist elements, most of them induced, and so a small problem has been created. In any case, we will not react with violence.

Q: Mr president, when you say extremist elements, do you mean that they belong to the extreme right?

A: I do not mean such a thing. I do not know. I have not determined their identity to tell you who is and who is not. I have not seen them.

Q: Then why do you use these expressions?

A: Because the act itself is an anti-democratic act.

Mr Averof

Q: Mr president, it is a fact that all of these people were pets of Mr Averof.

A: How do you come to this conclusion?

Q: It is known. Mr Averof appointed them.

A: Mr Averof appointed Mikhaloliakos and Manolakos. We are not talking about them.

Q: But they are the ones that doubt you.

A: They do not doubt.

Q: But when Mr Manolakos says that you were influenced.

A: He does not agree. But just a minute. We are a democratic party.

Q: Mr president, since yesterday when these incidents occurred, have you seen any repercussions of these incidents on deputies of the party?

A: I do not think so. I believe that these incidents prove better than anything else the correctness of the decisions I made. And I believe this is the general spirit that exists in the party.

In answer to a reporter's question that ties the incidents with the honorary president of the party, Mr Evangelos Averof, the answer was:

A: That is a mistake, a mistake. The president, Mr Averof has nothing to do with these improper incidents that are occurring at the ONNED offices right now.

Averof Position Rapped

Athens I KATHIMERINI in Greek 20-29 Nov 84 p 8

/Text/ He arrived ready to attack and proceeded almost without saying good day.

"Could you do us a favor? Stop about Papandreou, PASOK and Poland and look at what is going on in our own back yard. Fine, Andreas admires the leftist juntas and loves the cold blind Giarouzelski. Health and happiness to him. He can have all of them. Qaddafi, Arafat, Castro, all these valuable friends of Greece, who, between you and me, prefer the Turks to us, but let us forget about that. Here you see what is going on or more correctly, what is not going on in 'New Democracy'. Well, why do you not write anything about the unacceptable situation that is prevalent in the party? About the war, the treacherous civil war that the Averof followers have declared on Mr Mitsotakis. I say Averof followers, and not Vangelis himself, because I believe they are inducing him. Now I ask you. Why did he leave, why did Vangelis Averof resign? Perhaps you might tell me that he not leave, that 'they made him leave'. In any case, the reason for our change was that it was believed for a long time that a renewal was indispensable and that Vangelis had given everything he could give. No one doubted his political intelligence, his wonderful activity, his devotion to national matters. But the time came for him to pass the shuttle, in this case to Mr K. Mitsotakis. As we all know, the leadership was turned over peacefully, honestly, democratically and the acceptance of the new leader was evident, at least at first, as being general and sincere.

Only that the demons of small ambitions were lying in ambush behind the scenes. These people of small fanaticisms that turned on the mechanism of sabotage. They declared, very correctly, Evangelos Averof 'Honorary President of New Democracy'. Now, between us: What does Honorary mean? From what I know it means a gentleman who does not do many things, who appears formally at holidays and celebrations, who signs a document every so often, and especially who lets the new president do his job. There is the rub. Our present 'Honorary' does not let Mr K. Mitsotakis do his job. The 'Honorary' has organized a 'Press Office' that works daily, and routes his own announcements as well as the announcements of his followers. The 'Honorary' has become attached to a group of at least 30 deputies who still make way for him and who set Mr K. Mitsotakis aside, as discretely as they can. The 'Honorary' gets involved in everything, important subjects, details, and is fighting to protect and promote his own people.

Who these 30 to 35 people are is no secret. The names are known, and if you want to, I can give them to you. But keep them for now so that you may have a quick and interesting continuation when you return to the subject.

Just as his preferences do not always agree with those of Mr Mitsotakis, the clash is inevitable. And the damage in the party is also inevitable. We are heading for elections in this atmosphere? Well, if Mr K. Mitsotakis is the present leader of the large urban party, he is that leader because Mr Averof himself gave him very significant support. Since he wanted him in this crucial position, why does he not help him? In what way? The simplest! By going to his house, his office, his farm and leaving the Press Offices, the groups, by writing another nice book and by looking at what goes on at Rigillis from a distance.

The damage that our own people are doing to their party is so great that the animosity of the opposition has no bearing. We set aside the old aimless power struggle and occupy ourselves with the ONNED leadership? These valuable children are good and worthy, but they should not upset the store. Well, I am not going to tell you everything from the beginning, because you know it. Now why you who supposedly are interested in the future of the 'New Democracy' are concealing all this and are helping and concealing all these alleged 'Averofites' who are anything but 'Averofites', but some kind of termites that eat away the foundations to have those who are standing tall fall down so that they may find a way to scramble somewhere themselves, I do not know. The only thing I know with certainty is that it is about time that someone got up the courage to tell it.

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CSO: 3521/52

QUESTIONS ON KYP LEADERSHIP, EMPLOYEES FREEDOMS

'Secret' Tsokhatzopoulos Responsibilities

Athens MESIMVRINI in Greek 9 Nov 84 p 3

/Text/ New Democracy issued a statement yesterday pointing out that despite persistent questioning of the government, the responsibilities of Minister to the Prime Minister Akis Tsokhatzopoulos are still unknown.

Yesterday, the government spokesman avoided answering relevant questions including whether the KYP /Central Intelligence Service/ has been assigned to the super-minister (or para-prime minister). More specifically, the spokesman said that he did not know who is in charge of the KYP.

Therefore, the mystery around Mr Tsokhatzopoulos is thickening since no one knows what he is engaged in, what his responsibilities are exactly and above all whether he replaces the prime minister at the KYP during the latter's frequent short or long absences abroad. Also, whether a minister who is well disposed to PASOK's Marxist wing is in charge of this sensitive service, even from time to time.

Yesterday's ND statement asks these pertinent questions:

- What are Mr Tsokhatzopoulos' secret responsibilities?
- What purpose does his assignment to the KYP serve --if its management has been entrusted to him-- indeed, without any public announcement?

Possible Judicial Action

Athens MESIMVRINI in Greek 13 Nov 84 p 4

/Text/ A judicial action by the Greek state against the association of KYP employees will be the subject of discussions by the Athens Court of First Instance on Friday, the demand being the abolishment of the KYP civilian personnel's right to strike. (!)

The association of KYP personnel is strongly protesting and considers the legal recourse unacceptable which, according to the association, was taken to muzzle the voice of the employees because they protested injustices against employees during a 3-hour work stoppage on 8 October.

Political observers stressed yesterday that if the demand by the state is accepted, then there is an immediate danger not only in the KYP but in other connected services such as the Ministry of Public Order (for civilian personnel), YEN /Ministry of Merchant Marine/ and YETHA /Ministry of National Defense/.

5671

CSO: 3521/87

ALLEGED COOLNESS IN KARAMANLIS-MITSOTAKIS RELATIONS

Karamanlis Stance

Athens TO VIMA in Greek 9 Nov 84 p 1

/Text/ Three times in the space of less than an hour, President K. Karamanlis avoided greeting and talking with Mr K. Mitsotakis, head of the major government opposition party, during yesterday's Air Force day celebration in Tatoi.

The first time was when the president of the republic arrived at the Pilots School where he greeted only Mr Andonis Drosogiannis, alternate minister of national defense, and high-ranking officers of the three services. He also wished Mr Mikh. Stefanidis, first vice president of the Chamber of Deputies, many happy returns. Mr Mitsotakis, who was standing right next to Mr Stefanidis, was bypassed by the president who headed for the special platform in the ceremony hall.

The second time (and this time it surprised many people) was when the ceremony ended and the president, accompanied by Lt Gen Nik. Kouri, GEA /Air Force General Staff/ commander, went to the office of the commander of the Pilots School, Brig Gen G. Mavrakis, where he received the greetings from deputies, officers and other officials. Mr Mitsotakis also went to the office, shook hands with Mr Karamanlis and left immediately, while many others remained, including Mr Drosogiannis, Mr Mavrakis, Mrs Angeliki Synodinou, the nomarch of Attiki, Mr Stefanidis as well as high-ranking officers.

The third time occurred a few minutes later during the reception hosted by the GEA commander in honor of the president. When he entered the room, Mr Karamanlis greeted almost all those present and went by Mr Mitsotakis without greeting him. During the course of the reception Mr Karamanlis was far away from Mr Mitsotakis and talked with Air Force officers and at a given moment he called Mr Drosogiannis to a corner of the room to talk with him. This talk lasted 20 minutes.

Immediately afterwards Mr Karamanlis greeted Mr Nikos Kaloudis, parliamentary representative of the KKE, Mr I. Baniyas, KKE (Int.) Central Committee secretary, Mr I. Zigdis, EDIK /Democratic Center Union/ leader, as well as Mr Georgios Mavros and the Soviet Embassy charge and then got ready to leave. While going out he met the American Embassy military attache and warmly greeted him. While

doing so he once again bypassed Mr Mitsotakis without greeting him. He headed for his automobile accompanied by Mr Drosogiannis.

Two minutes after the president left Mr Mitsotakis greeted the GEA commander and then got into his automobile and left.

Coolness Denied

Athens AKROPOLIS in Greek 10 Nov 84 p 1

/Editorial: "Karamanlis-Mitsotakis Relations Excellent"/

/Excerpt/ Another case yesterday. Despite the day before yesterday's public observation by the president of the republic that "he not be entangled in party rivalries" and despite the fact that everyone knows that the Karamanlis-Mitsotakis relations are excellent, nevertheless the Papandreou government committed yet another impropriety yesterday. It conveyed to newspapers that are friendly towards it identical "information" to the effect that the president of the republic allegedly "avoided greeting and talking with the leader of the major government opposition party during yesterday's Air Force day celebration at Tatoi."

This whole "story" is, of course, inaccurate and untrue from beginning to end. All those present at the event saw that Karamanlis chatted with the president of ND at least on three occasions. He greeted him with a handshake when he came in, he talked with him during the reception and a third time when he was leaving.

The above information --about what indeed occurred at Tatoi-- comes from reliable sources tha AKROPOLIS has appropriately double checked.

Moreover, in connection with the new government impropriety, ND issued a statement yesterday which stressed the following point:

"It is a well-known and established fact that the relations between the president of the republic and the president of New Democracy are excellent both on the personal and political levels."

5671

CSO: 3521/87

REPORTED APPOINTMENT OF RETIRED MILITARY IN ND

Athens TO VIMA in Greek 11 Nov 84 p 2

/Article by Mikh. Dimitriou/

/Text/ Thirty retired officers, primarily from the navy and army, as well as former nomarchs are scheduled to assume important positions in ND's party apparatus soon, especially as overseers of all nome organizations throughout Greece in view of preparing the party mechanism for the forthcoming elections.

This decision was made a few days ago. In fact, Mr K. Mitsotakis, ND president, approved the "symbolic payment" of 10,000-20,000 drachmas to these retired officers to cover their transportation and other expenses.

The intention to "militarize" the overseeing of the party has begun to cause strong objections within the party. It is characteristic that besides recommendations by members of the party political office to Mr Mitsotakis to revoke his decision, the overall issue was the subject of discussions in certain branch organizations last week. In fact, at the ND branch organization of lawyers there was a strong denunciation of the "militarization" of the party apparatus and the conversion of the retired officers into intermediate organs within the nome committees and the central administration.

According to TO VIMA's information, included among the retired officers are Vice Admirals Stefanidis and Argyropoulos; Marangos and Mitrovasileiou, high-ranking port officials; and Major Generals Giannakidis, Giamas and Khatzistavrou. At the same time, besides their having been "developed" into the parliamentary committees of the Ministry of National Defense, Ministry of Foreign Affairs and Ministry of Public Order, it was decided that new party duties would be entrusted to the following retired officers:

- Police officers: Khristos Karathanasis, Spyros Pilos, Mikhail Laos, Georgios Akrivos, Georgios Sakketos, Nikolaos Bourdakos and K. Khronopoulos.
- Gendarmery officers: Georgios Mandis, Georgios Manolakos and Zakharakis.
- Fire Fighting Corps officers: D. Xifaras (Port Authority) and A. Karamitros.

- Navy officers: Odysseas Kapettos, Khr. Douzinas, Gkofas, Vryonis and Thomopoulos. Also, Sp. Soulis, Khatzimikhalis, Georgakopoulos and Bekes.
- Air Force officers: G. Vagiakos, Diakoumakos, Tsirkas and Svavaroutsos.
- Army officers: Sp. Iliakopoulos, Ath. Papanikolaou, An. Bokovos, G. Giavas, Dafnis and Georgiadis.

According to TO VIMA's information, it was decided that quite a few of these retired officers would be used "in view of the coming elections," in central party positions that primarily deal with guidance, staff, financial and administrative party duties.

Moreover, it was decided that quite a few of them would be used in "staff task units" in view of their "working out staff plans" for the organizational development of the party both in Attiki and in the provinces. Others would be assigned as "branch chiefs and liaison men" of the central administration with nome committees.

According to critics of this plan --their number is growing in all levels of authority-- its promoter and ardent supporter is Mr Giannis Vasileiadis, also a retired officer and party general director. The latter is said to be of the opinion --as it was expressed in a recent meeting-- that retired officers constitute an untapped human force "with organizational and staff experience" that could replace professional party cadres, indeed without any great financial burdens.

Therefore, An. Bokovos, a retired legal officer, and D. Avramidis, also a retired officer, were given the responsibility for overseeing "organizational initiatives" in Northern Greece. Major General Dafnis was assigned the position of "coordinating the overseeing" of organizations in Patras and Ioannina.

At any rate, the party's leadership's intention to assign the overseeing of party organizations on a panhellenic level to retired officer "branch chiefs" and nomarchs (who will oversee the party organizations of two to three nomes) is scheduled to come up for discussion in the party political office whose members have not been briefed by Mr Mitsotakis about this "secret" decision.

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CSO: 3521/87

MILITARY ATTACHE'S 'SECRET' REPORT ON GREEK-AMERICANS

Athens I KATHIMERINI in Greek 15 Nov 84 pp 1, 3

/Excerpts/ The government is going to extreme actions that betray intentions to frighten the press. This was disclosed by the major government opposition party in yesterday's criminal prosecution of an anti-government newspaper on... espionage charges since it had published excerpts of a report by the air attache in the Greek embassy in Washington in which serious allegations about the Greek community were made. In statements made in their own names, Mr K. Mitsotakis, ND president, as well as Mr E. Averof, criticized the criminal prosecution of the newspaper (I VRADYNI) and asked for the immediate dismissal of the author of the contested report. Specifically, Mr Mitsotakis called on the alternate minister of national defense to state if the published excerpts were exact and if he approved the meddling of a military man in politics.

Mr Averof put a broader dimension to his charges by stressing that "there are things happening in the air force that do harm to its efficiency."

There was no reaction yesterday by the government to the serious charges made by Messrs Mitsotakis and Averof. At noon yesterday, the government spokesman, without taking a position on the contents of the published excerpts, simply told political editors who put relevant questions to him that the fragmented published report distorts the contents of the document.

The contested report was prepared by Mr F. Makedos who sent it to Athens on 14 August 1984. As revealed in Mr Averof's statement, the author of the report was transferred from Washington 2 months later.

According to the published excerpts of the report, Brigadier General Makedos described the Greek community as "upholders of American interests and committed capital," worshipers of cold war militarism," people who "exude an unacceptable fascist mentality that outrivals that of the Americans" and who are "paid agents of various American services."

Mr Kon. Mitsotakis, ND president, issued the following statement:

"The criminal prosecution of I VRADYNI because it published excerpts, with political evaluations, of our air attache in Washington shows not only a lack of democracy and a repudiation of the basic obligation of the press to inform public opinion but it is above all a deed inspired by panic. The armed forces

are being undermined not by people who justifiedly point out and criticize inadmissible party activities that are detrimental to the interests of the nation, such as those of Brigadier General Makedos, but by people who tolerate them and in essence who foster them.

"I call on Mr A. Drosogiannis, as an honorable Greek officer, to answer directly:

"Are the excerpts published in I VRADYNI accurate?

"Does he approve the meddling of our military attache in politics, especially the political position he supports, and does he consider them helpful to the interests of our country?

"The big political and national issue stirred up by this event --and we owe respect and recognition to I VRADYNI that had the courage to bring it up and to criticize it-- is not going to be resolved through a decision of some criminal court, all the more so because the reference to so-called espionage is completely groundless and is reminiscent of other times. New Democracy believes that all Greeks should finally agree on one thing today, indeed in view of the critical moments through which our country is going: We have to keep our armed forces far away from politics and in the service of the people and nation. Only in this way will they be able to serve democracy. All of us together must come to an agreement that cancers, such as that of Brig Gen F. Makedos, must be removed from the healthy body of our armed forces."

Before the major government opposition party leader called on him to make a statement, Alternate Minister of National Defense And. Drosogiannis refused to make any kind of statement whatsoever to reporters on this issue. He limited himself to referring to the statement made by the government spokesman, namely "Up to late last night the minister had not reacted to Mr K. Mitsotakis' statement."

New Democracy issued the following statement:

ND calls for not only the immediate dismissal from the government of Brigadier General Makedos, air attache in the United States, but his censure publicly. A slave to dogmatism and blinded by party passion, this officer calls the Greeks of America, who hold high the flag of Greece and who help Greece both nationally and financially, "paid agents of CIA capital," "fascists," "upholders of American interests and committed capital," "Worshippers of cold war militarism" and generally-speaking "dangerous individuals."

This officer, by ignoring his responsibilities, undermines the role of Hellenism abroad and incites the government to change the country's traditional international relations.

The mention of a Brig Gen F. Makedos is, of course, an isolated one but unfortunately it expresses the spirit of factionalism that is systematically being cultivated in the Greek Air Force by PASOK. We hope the government itself will understand on what harmful path this military arm, so valuable to our national defense, is being led and that it will deduce the necessary conclusions.

NATIONAL 'CLEVERNESS' SEEN LEADING TO DISASTER

Athens TO VIMA in Greek 20 Nov 84 p 20

[Article by Nikos Dimou: "Clever Birds"]

[Excerpts] It is fitting, in this country which is internationally known for the cleverness of its inhabitants, to cultivate, stress and award prizes for each clever act. Thus, the Greeks' general indicator of cleverness will rise abruptly--while everything else, standard of living, cultural activities, exports, production, etc., will fall. It is indeed a proven fact: the more clever the Greeks become (or think they do), the more things go to hell.

When we speak of clever acts, we mean of the type of inventiveness that dumb foreigners could not even imagine. Because the Greeks' cleverness does not thrive in great and complex acts. It is rather the product of momentary inspiration. Its more characteristic trait is the "brilliant idea." The quintessence of the Greeks' cleverness is, simultaneously, the country's number one danger.

The brilliant idea can do anything. It can move mountains and bring them to Mohammed. (As for the Greeks, one of their brilliant ideas can bring the mountains over them; now, if at times the mountains fall down and crush them, well, this is just included in professional risks. The profession of being clever.)

Cleverness is the Greeks' fate. It creates more problems for them than those from which it is called upon, subsequently, to save them. It is not always successful. But even if it is, very few remember that without that brilliant idea, there would have been no problem to begin with. This is true everywhere, from our foreign policy to our domestic economy. Everyone can remember instances when our excessive cleverness led us to disaster, and we needed twice as much cleverness to save ourselves. (If we actually did.) Faith in our indomitable cleverness makes us superficial, hasty, cheeky. It prevents us from reading, informing ourselves, studying. It neglects experiments and trials, and goes directly to implementation.

The most obvious proof for the erosive influence of our cleverness: in no other country are so many government decisions recalled. Which means that the "new measures" issued at times are no more than brilliant ideas of one or the other. They are announced, they fail, they are recalled. This is the "veni, vidi, vici" of Greek governments.

So why should I want to award prizes for our cleverness, when we are drowning in so much of it? Of course, to make an example. Whenever some brilliant ideas are stressed and implemented, everyone will pay attention to their results. Which means that, perhaps, they will not be repeated. A kind of self-vaccination.

CSO: 3521/99

KKE CENTRAL COMMITTEE PLENUM RESOLUTION NOTED

NC221838 Athens RIZOSPASTIS in Greek 22 Nov 84 p 1

[Text] The only positive solution is a democratic government offering true change, based on the progressive forces and the people's movement. This is the conclusion, the product of a responsible analysis of the country's political developments, that has once again been presented by the KKE Central Committee in a resolution that it released today. This conclusion responds to the concern and feelings of a very wide circle of democrats and pursuers of change.

The KKE Central Committee Plenum resolution points out that:

The government insists on a policy that contradicts the basic goals of change and is turning in conservative directions.

PASOK's independence obviously not only fails to lead to change, but cannot even consolidate or expand on the people's standing achievements.

A solution involving cooperation with the right, or with a part of it, would go against the people's interests and would radically contradict the nation's progressive sectors.

The effort to make demagogic comparisons with the past is being intensified and tends to divert attention from substantive problems. This effort is linked to the oligarchy's plans to impose the biparty game.

The KKE Central Committee notes with particular emphasis that there are two problems that are the keys to the political situation:

1. The attempt to secure greater concessions from the government, through a disorienting debate on the election of a president, and to guide developments in a conservative direction. The resolution stresses: "A series of current events confirms that the government is giving in to three pressures."

2. And most important, the issue of the election law. The plenum stresses: "The struggle for a simple proportional electoral system assumes great importance. It is not merely a matter of claims by certain parties. It is not merely a matter of how the country's political forces are recorded. It

is a basic means of rebuffing the attack by the right and of pursuing democratic calm, change, and progress. Consequently, it is imperative that a broad and effective mobilization and alignment of forces in the front to struggle for a simple proportional system, irrespective of other political differences, be undertaken."

The plenum also stresses: "If the government party ultimately proceeds without a simple proportional electoral system and continues to insist on the logic of independence, it will fall into a trap and will continue to be vulnerable to extortion by the establishment and the right."

With these warnings and with the confirmation that the country's economic crisis is continuing, the KKE Central Committee stresses that the country's political life has reached a crucial juncture. It calls for a joint mobilization of the communists, leftist strugglers, and friends and pursuers of change, so that the initiative may pass to the people, for the only alternate solution is this: A government whose policy will be to pursue a joint minimal program--not an aggregate of common points, but a unified totality of cohesive goals that would prescribe a "clear policy of true change."

The KKE Central Committee stresses: The realization of the alternate solution that the KKE proposes requires the masses' resistance to the option of either PASOK or the right, and their support for the growth of the unified people's movement, so that the goal of change and the substantive transfer of popular forces to the KKE may be achieved.

CSO: 3521/98

POLITICAL COMMENTATOR'S PERPLEXITY: WHY VOTE PAPANDREOU

Athens I KATHIMERINI in Greek 25-26 Nov 84 p 8

[Article by "E": "In Search of..."]

[Excerpts] Once upon a time, I used to travel around the world without a passport. I had some kind papers with lots of stamps, which testified to the fact that I was indeed the person I claimed to be, and nothing more. When I would approach passport control, the competent official would pass me on to another, often in a private office; however, it was not long before I would be given permission to enter the country, together with some kind, encouraging talk.

Why do I remember at this time these long-ago incidents? The reason is that I remembered how easy it was then to answer strangers' questions. I had a precious collection of ready answers.

Let us say, for example, that I was asked how it was possible that a people as clever as the Greeks could tolerate a government of the character and quality of the colonels.

"Look," was the "ready answer": "You are right in your criticism. However, there is a big 'but.' We Greeks did not choose them. We did not even know they existed!"

It was indeed easy to face even those whose bad faith was evident. As for those who attempted to somehow defend the Athens regime--embassy employees, tourist officials, etc.--they usually resorted to a wise silence. Now, of course, that things have changed, that we have returned to the company of free peoples, answers to the questions have become a lot more difficult.

Because foreigners, especially those who are members of the various press circles can no longer under how our PASOK government and Andreas Papandreu can work.

And we cannot argue that we did not know him, that we did not choose him, that we did not vote for him. Whatever his worst enemies expected to occur has already happened. A world of uneducated amateurs, without any experience in management, slid into the government machine and immediately started out, with insatiable appetite, to destroy everything. Nevertheless, in June 1984,

the PASOK's losses were normal, just like any other government which would be just average, and not obviously disastrous. In the 18 October 1981 parliamentary elections, 2,725,132 voters gave their preference to the PASOK, while 2,476,491 of them again voted the same way in the 17 June 1984 Euro-elections. In other words, the PASOK lost about 250,000 votes. Nothing, or almost nothing.... Wouldn't a government like the PASOK have disappointed Greek voters? And the foreigners' question was:

"Those who wanted Andreas Papandreou, now that they have seen him close, why do they still want him?"

Because you cannot admit: "I wish I knew!" you look for logical, verifiable answers. You explain that one reason is negative, that people don't want to vote for his opponents; that the other is that they are still under the influence of a strong demagoguery, the third because Greeks are impressed by the aura of names and Andreas is cashing in on his father's legacy; you talk, talk and talk, and you do not convince anyone, much less yourself.

Why did the Greeks vote for Papandreou, are still voting for him and--albeit in smaller numbers, perhaps--will vote for him again?

Why? Of course, we are not asking, why will they vote for "PASOK," because the green party is non-existent without its leader, and if, for some reason he abandoned it, it would dissolve, it would disappear without any trace.

"Why do Greeks tolerate Andreas? Why do you not fight to get rid of him?" And also: "Did you read the article in FORBES magazine?"

This magazine, very well-known in the United States for its reliable economic information published an article on Papandreou in its 5 November issue.

It used strong language and described the present situation in our country in very pessimistic fashion; moreover, it included a rare personal attack on the prime minister of a foreign, and supposedly allied, country. "This consummate hypocrite [English in the original text] has brought Greece to the brink of economic disaster."

It is easy to understand the question arising from this article. Is it possible that the Greeks will vote again for Papandreou so that he will put the finishing touches on the disaster? And why will they do it?

Here we are in search of an answer and an explanation.

CSO: 3521/89

GAINS, LOSSES OF PARTIES IN 1981, 1984 ELECTIONS ANALYZED

Athens TA NEA in Greek 24 Oct 84 p 11

/One of a series of articles by former Minister Manolis G. Dretakis: "The Euroelections and Their Message"/

/Text/ (7). SHIFT OF THE ELECTORATE BY DISTRICT IN THE EUROELECTIONS OF 17 JUNE 84 COMPARED TO THE PARLIAMENTARY ELECTIONS OF 18 OCTOBER 1981.

In this article, as well as in the next one, it is necessary to give the percentages of the valid votes received by the first five parties in the Parliamentary Elections of 1981 /E81/ and the Euroelections of 1984 /E84/.

TABLE 10

The Strength of the First Five Parties in the E81 and E84 and its Change by Geographic Section

ΓΕΩΓΡ. ΔΙΑΜ.	PASOK			ND			KKE			KKE-INT.			*		
	ΠΑΣΟΚ			Ν.Δ.			ΚΚΕ			ΚΚΕ εγ.			ΕΠΕΝΚ.Π.		
	B81 Α	E84 Β	ΔΙΑΦ. Ε	B81 Α	E84 Β	ΔΙΑΦ. Ε	B81 Α	E84 Β	ΔΙΑΦ. Ε	B81 Α	E84 Β	ΔΙΑΦ. Ε	B81 Α	E84 Β	ΔΙΑΦ. Ε
1. Περ.πρω.	47,52	38,30	- 9,22	29,45	34,84	+ 5,39	16,02	15,54	- 0,48	2,73	6,29	+ 3,47	1,55	1,63	+ 0,08
2. Α.Στ.Ε.Ε.	50,44	42,97	- 7,47	37,08	39,98	+ 2,90	8,58	9,74	+ 1,16	0,75	2,44	+ 1,69	1,61	2,54	+ 0,93
3. Πελοπον.	47,94	42,51	- 5,43	41,17	40,97	- 0,20	6,99	8,12	+ 1,13	0,73	2,41	+ 1,68	2,25	3,79	+ 1,54
4. Ιον.νησ.	46,24	43,04	- 3,20	34,88	34,00	- 0,88	14,55	15,88	+ 1,33	1,51	3,38	+ 1,87	0,65	1,47	+ 0,82
5. Ήπειρος	46,26	39,98	- 6,28	41,10	39,63	- 1,47	10,29	13,27	+ 2,98	0,97	2,75	+ 1,78	0,84	2,15	+ 1,31
6. Θεσσαλ.	45,73	40,89	- 5,04	36,78	35,45	- 1,33	14,08	15,32	+ 1,24	0,97	2,61	+ 1,64	1,40	3,41	+ 2,01
7. Μακεδον.	46,71	41,17	- 5,54	40,01	41,86	+ 1,85	8,99	9,61	+ 0,62	1,03	2,59	+ 1,56	1,90	2,10	+ 0,20
8. Θράκη	44,62	35,40	- 9,22	39,55	47,77	+ 8,22	4,34	5,35	+ 1,01	0,67	1,85	+ 1,18	5,37	4,59	- 0,78
9. Νησ.Αγ.	46,86	44,27	- 2,59	36,92	38,56	+ 1,64	12,47	13,01	+ 0,54	1,15	2,68	+ 1,53	0,61	0,82	+ 0,21
10. Κρήτη	60,59	56,86	- 3,73	23,10	25,31	+ 2,21	8,51	9,59	+ 1,08	0,73	2,27	+ 1,54	0,15	0,33	+ 0,18

KEY: *National Political Union/Progressive Party

- | | |
|--------------------------------|---------------------------------|
| 1. Athens area | 8. Thraki |
| 2. First Sterea Ellas District | 9. Aegean Islands |
| 3. Peloponnisis | 10. Crete |
| 4. Ionian Islands | a. 1981 Parliamentary Elections |
| 5. Ipeiros | b. 1984 Euroelections |
| 6. Thessalia | c. Other elections |
| 7. Makedonia | |

Table 10 shows that in the E84 compared to the E81:

- PASOK suffered losses in all districts of the country.
- ND won in five and had losses in the other five districts. In the districts where it had gains, the party received more than two thirds of the valid votes.
- KKE scored gains in all geographic districts except in the Athens area where a slight drop in its strength was noted.
- KKE-Int. scored gains in all districts.
- Compared to KP in the E84, EPEN's score in the E84 showed gains in all districts except in Thraki (where it showed a decrease).

As is natural, the above variations in party strengths during the E84 compared to the E81 resulted in the increase or decrease of the homogeneity of their strength in the various geographic districts. On the basis of the base we adopted in the book, "1981 Elections for Deputies and Eurodeputies" (a base which is based on the deviations of percentages each party received in the geographic districts from its percentage throughout the country) we observed that in the E84 the homogeneity compared to the E81 dropped in PASOK, remained the same in ND and increased in KKE, KKE-Int. and EPEN (compared to KP).

On the basis of the results shown in Table 10, let us now analyze the shifts of the electorate in the Euroelections of 17 June 1984 compared to the parliamentary elections of 18 October 1981 (by geographic district).

In Part 4 of these series we analyzed the shifts of the electorate throughout the country. In that analysis we also took into consideration the small socialist parties (Panhellenic Militant Workers Trade Union Movement /PASKE/ and the Struggling Socialist Party of Greece /ESPE/ as well as the extreme right parties Pan-European Party /PK/ and the Union of Free Socialists /ENEK/. In this part we shall analyze the shifts of the electorate only as concerns the first five parties using the same hypotheses as in Part 4, that is:

- The EPEN gains compared to KP (in the E81) were reflecting ND losses. Therefore:
- The ND gains from PASOK in the E84 compared to the E81 were equal to the percentage it received in the E84 less the percentage it received in the E81 plus the EPEN gain.
- The KKE and KKE-Int. gains reflected PASOK losses and, finally, if the total of the ND, KKE and KKE-Int. gains are not equal to PASOK losses, then the rest of these losses reflect gains by other parties (PASKE, ESPE, Democratic Socialism Party /KODISO/, Christian Democracy /KhD/, Liberal Party /KF/, Democratic Center Union /EDIK/, etc.).

The above hypotheses, as well as the assumption that the new voters vote the same way the main body of the (old) voters vote, are simplistic, as noted in Part 4. However, they give a picture of the electorate shifts in the E84 compared to the E81 by geographic district.

On the basis of the data given in Table 10, we cite in Table 11 the "distribution" (the approximate share, that is) of the PASOK losses to ND, KKE, KKE-Int. and the "other parties" by geographic section.

Table 11

Distribution of PASOK Losses in the E84 Compared to the E81 to ND, KKE, KKE-Int. and "Other Parties" in Percentage Units by Geographic Section

Geographic District		PASOK Losses	Gains or Losses of Parties			
ΓΕΩΓΡΑΦΙΚΟ ΔΙΑΜΕΡΙΣΜΑ		ΑΠΩΛΕΙΣ ΠΑΣΟΚ	ΚΕΡΔΗ Ή ΑΠΩΛΕΙΣ ΤΩΝ ΚΟΜΜΑΤΩΝ			
		Α	ΝΔ	ΚΚΕ	ΚΚΕ-Ε.	«ΑΛΛΟΙ»
1.	Περ. πρωτεύουσας	-9,22	+5,47	-0,48	+2,47	+0,78
2.	Α. Στ. Ελλά. και Ευβ.	-7,47	+3,83	+1,16	+1,89	+0,79
3.	Πελοπόννησος	-5,43	+1,54	+1,13	+1,88	+1,28
4.	Ιόνια νησιά	-3,20	-0,08	+1,33	+1,87	+0,08
5.	Ήπειρος	-8,28	-0,16	+2,88	+1,78	+1,68
6.	Θεσσαλία	-5,04	+0,88	+1,24	+1,84	+1,48
7.	Μακεδονία	-8,54	+2,05	+0,82	+1,56	+1,31
8.	Θράκη	-9,22	+7,44	+1,01	+1,18	-0,41
9.	Νησιά Αιγαίου	-2,59	-1,15	+0,54	+1,83	+1,87
10.	Κρήτη	-3,73	+2,39	+1,08	+1,54	-1,29

- KEY:
- | | |
|---|-------------------|
| 1. Athens area | 9. Aegean Islands |
| 2. First Sterea Ellas District and Evvoia | 10. Crete |
| 3. Peloponnisos | a. PASOK losses |
| 4. Ionian Islands | b. ND |
| 5. Ipeiros | c. KKE |
| 6. Thessalia | d. KKE-Int. |
| 7. Makedonia | e. Other parties |
| 8. Thraki | |

Table 11 shows that:

- After the adjustments in the ND gains and losses (having taken into consideration also the EPEN gains in the E84 compared to KP in the E81), ND shows gains from PASOK in 7 of the 10 geographic sections. The ND losses are relatively small in the Aegean Islands (these losses are credited to the other parties in Table 11).
- The KKE-Int. gains and the gains and losses (only in the Athens area) of KKE (Table 11) are simply a transfer from Table 10. (So are the PASOK losses.)
- The other parties show gains in all districts except in Crete and Thraki. The losses in Crete are due to the death of V. Vardinogiannis shortly before the E84 while the losses in Thraki are due to the fact that A. Baltatzis did not support KODISO in the E84 (while in the E81 he was its candidate).

A question that arises concerning the losses of the other parties is: which of the first four parties benefited from these losses in Crete and Thraki? If, for example, part of these losses reflected gains for PASOK, then, without adding these votes, the losses of this party (PASOK) in these two geographic districts would be greater than those shown in Table 11. The problem, however, is more general and concerns the shifts from and to all parties. The losses for the other parties are simply, as explained above, the "remainder" which results following the subtraction of the gains by ND, KKE, and KKE-Int. from the PASOK losses on the basis of the aforementioned simplistic hypotheses.

Changes in the Strength of the Parties by District

(8). CHANGES IN THE STRENGTH OF THE PARTIES IN THE EUROELECTIONS OF 17 JUNE 1984 COMPARED TO THE PARLIAMENTARY ELECTIONS OF 18 OCTOBER 1981

(1) BY GEOGRAPHIC DISTRICT

On the basis of the Table 10 data we present in Table 12 the percentage changes--as determined in District 6--in the strength of the parties by geographic district.

TABLE 12

Percentage Changes in Party Strengths in the E84
Compared to the E81, by Geographic District

GEOGRAPHIC DISTRICT	A PASOK	B ND	C KKE	D KKE-Int.	E EPEN/KP
1. Περιφ. πρωτεύουσας	-10,4	+18,3	-3,0	+127,1	+5,2
2. Α. Στ. Ελλά. και Εύβοια	-14,8	+7,8	+13,5	+225,3	+57,8
3. Πελοπόννησος	-11,3	-0,5	+16,2	+230,1	+68,4
4. Ιόνια νησιά	-6,9	-2,5	+9,1	+123,8	+126,2
5. Ήπειρος	-13,6	-3,6	+29,0	+183,5	+156,0
6. Θεσσαλία	-11,0	-3,6	+8,8	+169,1	+143,6
7. Μακεδονία	-11,9	+4,6	+6,9	+151,5	+10,5
8. Θράκη	-20,7	+20,8	+23,3	+176,1	-14,5
9. Νησιά Αιγαίου	+5,5	-3,7	+4,3	+133,0	+34,4
10. Κρήτη	+6,2	+9,6	+12,7	+211,0	+120,0

KEY: 1. Athens area
2. First Sterea Ellas District
3. Peloponnisos
4. Ionian Islands
5. Ipeiros
6. Thessalis
7. Makedonia
8. Thraki
9. Aegean Islands
10. Crete
a. PASOK
b. ND
c. KKE
d. KKE-Int.
e. EPEN/KP

Table 12 shows:

PASOK had the greatest (percentage) losses in the Athens area (this preeminently urban area of the country with the greatest number of unemployed and the most environmental and social infrastructure problems) and in Thraki (where special problems exist).

It had the smallest losses in the Ionian and Aegean Island area and in Crete. One common characteristic in all these three districts is the increase in tourism, while Crete is an absolutely special case. (It should be noted, however, that the total number of votes cast in these three districts is about half of that cast in the Athens area.)

Finally, in the rest of the districts, PASOK had losses of an average -13.5 percent (from -11.0 percent in Thessalia to -14.8 percent in the Remainder Sterea Ellas and Evvoia areas).

ND had its greatest gains in those districts (Athens area and Thraki) where PASOK suffered its greatest losses.

It showed small losses (as did PASOK) in the Ionian and Aegean Islands, while Crete (despite the very low percentage in the E81, and the Vradinogiannis death shortly before the E84) it scored gains (which are the most significant in size after those in Thraki and the Athens area).

In the other geographic districts there appears a dissimilarity. More specifically:

- In two districts (Remainder Sterea Ellas and Evvoia and Makedonia) which have a number of voters representing more than one-third of the total votes, there was an increase.
- In three districts (Peloponnisos, Ipeiros and Thessalis) with a number of voters around one quarter of the total, a drop was noted.

KKE had small losses in the Athens area and relatively small gains in Makedonia (the two districts have almost half of the total number of the country's voters).

It scored significant gains in Ipeiros and Thraki (which, however, have less than one tenth of the total votes).

KKE-Int. showed an increase:

- Below average (which was 157.7 percent) in the Athens area and the Ionian and Aegean Islands.
- Around average in Makedonia and over the average in the rest of the districts.

In the E84 compared to KP in the E81, EPEN had a drop in Thraki and an increase in the Athens area and in Makedonia. However, it scored a very large increase in Ipeiros, Thessalia, Ionian Islands and Crete (where, however, the KP strength in the E81 was very small).

II. BY ELECTORAL PRECINCT

In order to estimate the percentage changes in the strength of the five parties in the E84 in comparison to the E81 it is necessary to have the percentages each of these parties received in the two elections by electoral precinct.

On the basis of the data appearing in the table prepared by the Interior Ministry on the results of the 17 June 1984 Euroelections as well as on the basis of the results of the parliamentary elections of 18 October 1981 by electoral constituency as stated in the book "1981 Elections for Deputies and Eurodeputies," we prepared two tables for the 56 electoral precincts.

As is known, the electoral precincts coincide with the country's nomes except in:

- Attiki where there are five electoral precincts (First and Second in Athens, First and Second in Pireaus and one in the Remainder Attiki) and
- Salonica with two electoral precincts (First and Second)

We shall not reproduce here the tables prepared for the 56 electoral precincts but we shall give the main conclusions derived from these tables.

First of all we must mention that, as in the case of the geographic districts, there is a large differentiation in the percentage changes in the strength of the first five parties by electoral precinct. More specifically:

- PASOK's strength decreased in all electoral constituencies except in Samos and Rethymnon. Its greatest decrease was in the Rodopi Nome followed by the First Athens and First Pireaus precincts.

ND's strength scored gains in 35 and losses in 21 electoral precincts. Its greatest increases were in the nomes of Xanthi and Rodopi and its greatest decrease was in the nomes of Samos and Karditsa.

KKE's strength increased in 47 and decreased in 9 electoral precincts. It marked its greatest increases in the nomes of Evrytania, Thesprotia and Rethymnon and its greatest decreases in the First Athens and Pireaus electoral precincts.

KKE-Int. showed an increase of its strength in all the electoral precincts. It scored the greatest increase in the Evrytania Nome.

In the E84 compared with KP in the E81, EPEN showed an increase of its strength in 42 electoral precincts and a drop in 13. In one such precinct its strength was the same as that of KP. If we omit the nomes of Samos, Lasithion and Rethymnon (where the KP strength in the E81 was zero), EPEN scored its greatest strength increase in the nomes of Ileia and Kastoria and its greatest decrease in the nomes of Zakynthos and Kilkis.

The percentage changes in the electoral precincts were more homogeneous for PASOK and KKE-Int. than for ND and KKE, while the percentage changes in the strength of EPEN in the E84 compared to KP in the E81 were strongly dissimilar.

A CLARIFICATION: With regard to the abstentions in the Euroelections of 17 June 1984, it should be made clear that, if we add to those who voted in Greece, those (Greeks) who voted in EEC countries, the abstention percentage drops from 20.09 percent to 19.41 percent. Consequently, it is worth exerting every effort to have the Greeks abroad vote in the parliamentary elections of 1985 and a relevant provision should be included in the electoral draft law to be introduced to the Chamber of Deputies next February.

7520

CSO: 3521/57

POLL SHOWS POPULAR STANCE ON POLITICS, ECONOMICS

Politicians' Popularity

Athens TO VIMA in Greek 28 Oct 84 p 4

/Text/ We asked the Athenians to give us their opinion about the most outstanding personalities in our country: the president of the Republic, the chairmen or secretaries of the four large parties, the former ND chairmen and the KKE-Int. Eurodeputy Kyrkos, who in previous public opinion polls appeared to be popular.

The poll shows that, as far as popularity is concerned, our major politicians fall in three groups. In the first one the most popular are Karamanlis and Papandreou with 49 percent of the positive answers. The second group, which represents 28-33 percent of the positive answers, includes Kyrkos (33 percent), Mitsotakis (31 percent), Florakis (30 percent), Averof (29 percent), and Rallis (28 percent). In the third one Baniyas appears the most popular with 14 percent.

The fact is surely impressive that the ND politicians are at the same level with those of the two communist parties, especially since in the Athens area ND received more than twice the votes in last June's elections and more than five times the votes the KKE and KKE-Int. politicians received, respectively. This level-equality is due to the coexistence of three phenomena:

- a. The ND political leaders received less than 90 percent in areas with ND voters: Mitsotakis 87 percent; Averof 81 percent; and Rallis 77 percent.
- b. The popularity of these leaders is almost nil (7 percent at the most) in the areas where voters prefer other parties.
- c. The leaders of the two communist parties, besides their near equality in their own areas (Kyrkos 98 percent of the Eurocommunists and Florakis 97 percent of the communists) are also popular among important voter minorities in other parties: Kyrkos received 43 percent of the PASOK followers, 23 percent of the ND followers, and 11 percent of the communists, while Florakis received 27 and 10 percent of the PASOK followers and communists, respectively.

TABLE 1

Popularity of Politicians
(Percentage of those having much or enough
knowledge about politicians)

	Karamanlis	Papandreou	Rallis	Florakis	Averof	Banias	Mitsotakis	Kyrkos
	%	%	%	%	%	%	%	%
TOTAL	49	49	28	30	29	14	31	33
Party they voted in the 1984 Euroelections:								
New Democracy	97	8	77	1	81	4	87	20
PASOK	34	98	4	27	3	15	1	43
KKE-Interior	41	51	7	10	5	81	5	98
KKE	8	34	1	97	0	3	0	11

But in addition to their almost unanimity in their respective party areas (Karamanlis 97 percent, Papandreou 98 percent), both enjoy greater extra-party popularity (if we consider as partisan the ND position for the president of the Republic and the party's founder): Karamanlis shows a popularity of 41 percent among the Eurocommunists, 34 percent among the PASOK followers, and even 8 percent of the communists, while Papandreou enjoys 57 percent among the Eurocommunists, 34 percent in the communist camp and 8 percent among the ND followers.

Finally, a comparison between the Kyrkos and Banias popularity shows that Banias is behind because he failed to receive more than 81 percent of the positive answers in the area of his voters and because he received very few positive answers in the other areas (4-5 percent compared to 11-43 percent for Kyrkos).

How the Poll Was Conducted

This poll was taken between 9 and 12 October 1984 in a sample of 600 voters who reside in the Athens-Piraeus-Suburban areas and who were selected with

the quota method by sex, age, area and geographic electorate so as to proportionally represent all categories of the population. The EURODYM firm claims this method is applied exclusively in Greece and assures the best possible sample representation.

EURODYM has signed the International Code of the ICC/ESOMAR (European Union for Surveying the Market and Public Opinion) and all its surveys are carried out in accordance with this code. The data processing was done by the PRIME company computer.

Similar political polls by this firm have been published from time to time in other newspapers and periodicals with a significant percentage success as the subsequent results proved.

Popular Satisfaction Measured

Athens TO VIMA in Greek 30 Oct 84 p 3

/Text/ Public opinion considers rather positive the government work of the last 3 years from October 1981 to October 1984 (54 percent). But 43 percent believe otherwise while 3 percent failed to answer (Table 2).

The analysis of the results by partisan preference shows the existence of a broad "agreement" among the voters of the three parties to which they belong to "the forces of Change." Thus, the large majority of the PASOK followers (97 percent), the Eurocommunists (81 percent) and the communists (60 percent) consider the 3-year work of PASOK as rather positive. Those disagreeing in this areas, especially in the KKE, are few--31 percent consider it negative and 9 percent remain neutral. On the contrary, the ND followers consider the PASOK work in the past 3 years as negative (96 percent).

TABLE 2

In Your Opinion How Do You Consider
the PASOK Work in the Past 3 Years?

	Rather Positive %	Rather Negative %	No Answer %
TOTAL	54	43	3
Party they voted in the 1984 Euroelections:			
New Democracy	2	96	2
PASOK	97	2	1
KKE-Interior	81	17	2
KKE	60	31	9

The majority of the Athenians considers the present PASOK government more efficient than the previous ND government. Adversely, 33 percent consider the previous ND government more efficient while 9 percent see no difference (Table 3).

TABLE 3

Compared to the Previous ND Government, Do You
Think That the Present PASOK Government Is:

	More Efficient %	Equally Efficient %	Less Efficient %	No Answer %
TOTAL	57	9	33	1
Party they voted in the 1984 Euroelections:				
New Democracy	3	6	91	0
PASOK	96	2	2	0
KKE-Interior	83	12	5	0
KKE	77	18	1	4

In this case, too, one sees the same agreement: the PASOK government is more efficient than the previous ND government by 97 percent among the PASOK voters, by 33 percent among the Euroelection voters and by 77 percent among the communists. Adversely, those who think the ND government was more efficient come almost exclusively from its party area (91 percent). It is, moreover, noteworthy that 9 percent of the ND followers do not consider the previous government more efficient than the present one (the corresponding PASOK "shifting" is 4 percent).

Preferred Government

Athens TO VIMA in Greek 31 Oct 84 p 3

/Text/ The question on the degree of life satisfaction is used internationally as an index for evaluating the social system of a country. In Greece, 70 percent of those polled are very satisfied with the life they have, while only 30 percent are little or not at all satisfied (Table 4).

TABLE 4

From Your Life Today Are You:

	Very or Sufficiently Satisfied? %	Little or Not At All Satisfied? %
TOTAL	70	30
Party they voted in the 1984 Euroelections:		
New Democracy	86	14
PASOK	82	18
KKE-Interior	60	40
KKE	30	70

Democratic System

The question on the degree of satisfaction from the operation of the democratic system is internationally considered as an index of the country's political system. In Greece, 55 percent of those asked are satisfied today while 45 percent are dissatisfied (Table 5).

TABLE 5

Are You Generally Satisfied With the
Way Democracy Operates in Greece?

	Very or Sufficiently Satisfied? %	Little or Not At All Satisfied? %
TOTAL	55	45
Party they voted in the 1984 Euroelections:		
New Democracy	54	46
PASOK	82	18
KKE-Interior	43	57
KKE	18	82

The table shows that those satisfied with the operation of the democratic system in our country include the greatest majority of PASOK followers (82 percent), the majority of the ND followers (54 percent), almost half of the Eurocommunists (43 percent) and a few communists (18 percent). On the

contrary, the dissatisfied include mainly KKE followers (82 percent), KKE-Int. communists (57 percent), ND followers (46 percent) and PASOK voters (18 percent).

The answers to the two questions show that in their majority the Greek people are satisfied with both the social and political systems of the country. This majority consists mainly of followers of PASOK, ND and a few from the two communist parties. On the other hand, a small minority (around one fourth of the total) is displeased with both systems. This category consists mainly of Eurocommunists and communists but also includes a significant minority from the other two large parties.

Finally, there is a third category consisting of those who are satisfied with our social but not the political system (the reverse is true for some). This category, about one sixth of the total, consists mainly of ND followers and a few Eurocommunists and communists (and very few PASOK followers).

Blame for Economic Problems

Athens TO VIMA in Greek 1 Nov 84 p 3

/Text/ There is no doubt that in Greece as well as in other democratic countries the economic problems are of much greater importance. They are always the first to be projected by polls.

In Greece, for example, more than two thirds of those answering gave priority to them (Table 6). Also, it is seldom that public opinion in a country completely approves of the economic policy of the government unless the latter succeeds in checking inflation and unemployment. In our country, the voters were always "grumblers" with regard to economic problems during the ND governments as well as during this government. But to assess the impact of such grumbling to a party's popularity one must study the causes for which public opinion attributes the responsibility for the country's economic problems.

TABLE 6

In Your Opinion, the Responsibility for the
Country's Economic Problems Lies Mainly With:

	Policy of the Present PASOK Government %	International Economic Crisis %	The Policy of the Previous ND Government %	No Answer %
TOTAL	28	34	35	3
Party they voted in the 1984 Euroelections:				
New Democracy	74	25	0	1
PASOK	0	43	57	0
KKE-Interior	10	40	43	7
KKE	9	21	59	11

The answers to the above question explain why the grumbling about economic problems has not changed into a strong displeasure against the government. Only 28 percent of the Athenians consider the present government responsible for the country's economic problems. Adversely, 69 percent attributes the main responsibility to the international crisis (34 percent) or to the policy of the previous ND governments (35 percent). Finally, 3 percent refuse to take a position or blame both factors.

This question also includes the agreement of the three parties of Change. Their voters distribute the responsibilities for the economic problems between the New Democracy (57 percent of the PASOK followers, 43 percent of the Eurocommunists and 59 percent of the communists) and the international economic crisis (43 percent of the PASOK followers, 40 percent of the Eurocommunists and 21 percent of the communists).

Only a few Eurocommunists (10 percent) and communists (9 percent) attribute the main responsibility to PASOK or fail to answer (7 and 11 percent, respectively). In the area of the ND the view prevails, of course, that the PASOK government is completely responsible for our economic woes: This view is accepted by 74 percent of the ND voters while 25 percent blame the international crisis. Thus, the PASOK government has an "excuse" for the economic problems of the country: the conditions it inherited. It is for this reason that PASOK remains, as we shall see, the first party in a country with significant inflation and unemployment.

Political Parties Viewed

Athens TO VIMA in Greek 2 Nov 84 p 2

/Text/ We also asked the Athenians to give us their opinion about the six political parties in the Athens metropolitan area which received more than 1 percent in the recent Euroelections. The answers indicate (Table 7) that all parties, except ND, show a better picture in the Euroelections than their electoral strength in main Athens: PASOK 46 percent (compared to 35.5), KKE 28 percent (compared to 15.5 percent), KKE-Int. 21 percent (6 percent), Democratic Socialism Party /KODISO/ 9 percent (1.5), National Political Union /EPEN/ 5 percent (1.5 percent). But ND showed 35 percent (compared to 34.5 percent).

TABLE 7

Picture of Parties
(Percentage of those having a good or
fairly good opinion for each party)

	PASOK	ND	KKE	KODISO	KKE-Int.	EPEN
	%	%	%	%	%	%
TOTAL	46	35	28	9	21	5
Party they voted in the 1984 Euroelections:						
New Democracy	4	98	0	13	9	11
PASOK	98	3	22	8	24	0
KKE-Interior	50	2	2	2	90	0
KKE	32	1	98	1	9	0

This is again due to the fact that the positive answer for ND comes from the party's followers almost exclusively (98 percent of the total) while the other parties depend on voters from other areas. More specifically, PASOK, besides 98 percent from its own voters, received 50 percent of the Euro-communists and 32 percent of the communists. KKE-Int., besides 98 percent of its voters, had 24 percent from the PASOK followers and 9 percent from ND and KKE followers. KODISO, besides its few voters (not shown in the table), received 13 percent and 8 percent of the ND and PASOK followers, respectively. Finally, EPEN, besides its few voters (not shown in the table), received 11 percent from ND followers.

Of particular interest at this point is the popularity of the politicians (Table 1) and of their parties. Papandreou, Florakis and Kyrkos are more popular in their parties by 3, 2 and 12 /sic/ percent, respectively, while Mitsotakis, Averof, Rallis and Baniyas lack in popularity in their parties by 4, 6, 7 and 7 /sic/ percent, respectively.

For ND particularly this falling behind is one of its more important problems in its effort to win new voters and is also due to the fact that very few of the ND followers have a good picture of their party. On the contrary, the noticeably better picture of PASOK and Papandreou constitutes an advantage in their effort to maintain their first place and independence.

As concerns the small parties, their better picture of their electorate strength means there are margins for their progress (but also no margins at all since many voters hold high esteem for the two large parties) if there are corresponding preconditions for the decay of the other parties, especially as concerns the KKE-Int. At any rate, the difference in the popularity between Eurodeputy Kyrkos and Baniias of KKE-Int. means that the proper projection of the Eurodeputy is the most important electoral advantage for this party.

7520

CS0: 3521/72

BRIEFS

PRAVDA ARTICLE INTERPRETED--Both the "purchase of the century" and the "meeting of the century" in Elounda contributed to the fact that Friday's [16 November] news of the day went unnoticed. In a report to Athens, the press attache of our Moscow Embassy assured the government that a number of critical remarks--anodyne, to be sure--that appeared in PRAVDA articles about the PASOK government did not express the Kremlin's true feelings, and were, moreover, intended to help Mr Papandreu into misleading Greek public opinion. Specifically, according to former Minister C. Varvitsiotis' denunciation in the Chamber of Deputies, PRAVDA's anodyne criticism, as presented in the press attache's report, was simply aimed at providing arguments to the PASOK in order to counter the "right's" accusation that the present government has identified itself with the KKE. According to this report, the explanation was provided to our press attache by none other than the author of the article and PRAVDA deputy editor Mr Grigoryev. Let no one, therefore, be concerned. Moscow's complaints are not really intended to bring about an even more daring turn to the left. Athens' tendencies, both in their extent and their speed, fully satisfy Moscow. "We have tried you, we have examined you and we approve of you" is what Mr Grigoryev is also telling us now.... [Text] [Athens I KATHIMERINI in Greek 18-19 Nov 84 p 16]

TSOKHATZOPOULOS' ROLE NOT OBVIOUS--It is actually the duo "MA-MA" who is playing the role of "minister to the prime minister," and not "handsome" Akis, who is being more or less ignored. Both at Kastri [the prime minister's residence] and during trips, Makhairitsas and Maroudas stand close by, the first to prevent Andreas from making any gaffes, the other to cover up for them!... [Text] [Athens I KATHIMERINI in Greek 18-19 Nov 84 p 14] [From the I STILL TIS BERLINAS [gossip] section]

CSO: 3521/83

CALL FOR GARAICOECHEA RESIGNATION AMIDST PNV CRISIS

Madrid ABC in Spanish 19 Nov 84 p 19

[Text] San Sebastian--The lengthy internal crisis triggered within PNV [Basque Nationalist Party] as a result of the differences that cropped up when it was time to arrange the distribution of authority among the various institutions appears to be taking its final direction, as one infers from the war of threats which began this weekend between representatives of the Basque Government and the party itself. Hence, the resignation of the "lendakari," Carlos Garaicoechea, has come up again.

The "ultimatum" issued by the health adviser, Angel Larranaga, calling upon the PNV executive body to support the Basque Government's stands immediately or to disavow them explicitly, has created intense uneasiness in the party's organization. For example, yesterday the secretary of the EBB [National Executive Body], Javier Aguirre, demanded that the "lendakari" ratify the statements made by his adviser or else publicly discredit them.

The health adviser and member of the Basque Finance Council, Angel Larranaga, who up until now has appeared as the one most hostile toward the Macua stands, went so far as to remark that "what the government wants is to have its stands backed or explicitly disavowed, immediately."

According to Larranaga, in an obvious reference to Sodupe, "defending Macua's statutory stands means downgrading the 'lendakari's' Nationalist theories." And the health adviser went so far as to accuse Roman Sodupe of betraying the agreements of the Zarauz assembly, at which the distribution was stipulated. As a result of this, the Nationalist crisis has embarked upon a new phase of personal attacks. "I think that he mentioned betrayal," commented the "lendakari" yesterday, in an attempt to detract significance from the controversy, indicating that the agreement from the Zarauz assembly which served as the basis for accepting the "lendakari's" candidacy is not being fulfilled; "and that is a fact."

This charge from Garaicoechea against the stands of the deputy general of Vizcaya and of the EBB itself prompted more rumors to circulate yesterday

concerning a possible resignation. Nevertheless, the president of the Basque Government, faced with overt confrontation with the party organization, has again resorted to a search for support among the Nationalist rank and file. For example, during the weekend the "lendakari" received many telegrams, particularly from the Guipuzcoa members, asking him to remain in his position.

The origin of this new phase in the Nationalist crisis dates back to the speech made by the deputy general of Vizcaya, Jose Maria Macua, to the General Juntas meeting in Guernica last Wednesday, Macua claimed that there is other authority invested in the parliamentary groups of extra-statutory origin, stemming from the law on bases for local regimes.

Reforming the Statute

He had no qualms about saying that if the Nationalist tradition was betrayed, it would even be necessary to reform the statute. The assertions caused indignation in Ajuria Enea, who refuses to accept for the parliamentary groups powers derived from other sources of authority different from the LTH. Nevertheless, the chairman of the EBB, Roman Sodupe, backed Macua's proposition, acknowledging other sources of authority besides the LTH for reinforcing the parliamentary groups; which could be interpreted as an implicit criticism of the Basque Government itself.

In this situation, the new confrontation leads one to think that there will have to be a postponement of the second round of talks called by Garaicoechea with the Basque parliamentary forces. At least that is what has been remarked by some of the opposition leaders, convinced that any dialogue would irrevocably be doomed to failure unless agreement is first reached by PNV's two sectors. In this connection, well informed sources note that the Nationalist crisis could embark on another serious phase, based upon the negotiations that are to be held again by centralists and those associated with the statute, with a view toward the second accord of the Basque Finance Council regarding the distribution of the budgetary appropriations pertaining to the government and the parliamentary groups.

2909

CSO: 3548/50

CONTROVERSY OVER PLANNED PURCHASE OF INTERCEPTORS

Need for Jets

Vienna PROFIL in German 8 Oct 84 pp 19-20

[Article by O. Lahodynsky: "Interception Aircraft: Fear of Flying"]

[Text] The unveiling of an Austrian Army expert opinion: by 1995 jets of the newest type are to replace outworn interceptors.

Back in the days when he was still the city's cultural counselor he was calling for more subsidies and not for interceptors. "In those days even the OVP [Austrian People's Party] fraction applauded," recalled Vienna's mayor Helmut Zilk. "Nowadays, of course, I must also take national considerations into account, but in my heart I am still always very skeptical."

[Week's next week could determine whether or not the statesman Zilk can prevail over the private citizen Zilk. The Executive Committee of the SPO [Socialist Party of Austria] to which Zilk belongs as a coopted member is to vote during the next session on the purchase of 24 "surveillance aircraft." Fred Sinowatz, a proponent of aeronautical interests, needs the authoritative support of the national party's executive committee to restrain the growing resistance among their own rank and file. Most recently the chairman of the Tirolean state party, Socialist Party deputy from Upper Austria Karl Gruenner, and half of the Socialist Party Congress members from the Vorarlberg and also the Socialist Party chief from Graz Alfred Stingl had dared to rebel against the Vienna Central Committee.

The entire party youth as recently as last Monday demanded a "grass roots vote." This was at a joint press conference, which the Socialist Party central secretary Fritz Marsch tried to prevent up until the last minute. They declared that "the Austrian chancellor should not thoughtlessly utter opinions which are not in accord with the opinion of the majority of party members," and sharply criticized socialist youth chief Alfred Gusenbauer. And the head of the "young generation" Maria Berger lamented "this autocratic conception of national politics which aims at excluding all discussion from the outset."

In the beginning of October all trusted SPO people were supplied with a two-page fund of arguments on the subject of "airspace surveillance." The party comrades have been intellectually fortified with such arguments as that "procurement was already decided upon back in the days of the Kreisky government" and that "apart from Andorra, Liechtenstein and San Marino all the other neutral states of Europe have a substantially greater number of aircraft than does Austria."

In comparison with Switzerland or Sweden each of which has a national air fleet of over 350 jets Austria's air combat forces do not merely have a lame wing: today their fastest airplanes, the Saab 105-OE, are not even able to prevent AUA aircraft from getting away.

The last airplane which it was possible for them to intercept and compel to landing was an Egyptian transport airplane. And that was 16 years ago.

Before the remaining Saab 105-OE training aircraft drop out of their native skies--since 1970 6 out of 40 airplanes have crashed--now for the first time a supersonic airplane is to be procured. The political decision to purchase interceptors, which are now called "airspace surveillance aircraft," was taken as much as 10 years ago when the policy of comprehensive national defense was incorporated into the national constitution. This decision for the first time specified the Austrian Army's tasks in the air. According to this decision "in the event of international tension or of a conflict our air control must be maintained and in the event of a military conflict in our neighborhood our neutrality by land and in the air must be maintained."

But up to now there has been a lack of aeronautical equipment capable of performing this task. "Our situation is absurd," complains Brig Gen Josef Bernecker, chief of air defense within the defense ministry. "This is just like hiring a private chauffeur and then telling him that it is up to him to get a car." The "Goldhaube" system of radar surveillance he declared to be merely a torso as long as it lacks "scouting equipment."

Bernecker tests airplanes in the Austrian Army and has been doing this ever since the beginning of discussion of the purchase of supersonic aircraft--that is, for the past 20 years. As far back as 1967 the Airspace Defense Commission recommended the purchase of two echelons (24 aircraft) of the Swedish combat aircraft, the Saab J-35 Dragon. The fact that 1 year earlier during an evaluation flight in Sweden it was necessary for an Austrian pilot to exit the plane on a catapult seat was not subsequently held against the Dragon: 17 years later it is still well in the running.

The Viennese Saab representative Hans Drescher, honorary consul for Bolivia, who up to now has been able to sell only helicopters to the Austrian Army, is offering us 24 used Dragons of the Swedish Air Force. While it is true that they already have 20 years of use behind them nevertheless they do possess the advantage of coming from a neutral country.

Last week the company representatives received the contract documentation from the defense ministry. By the end of November they must deliver over 300

individual items of data about their jet: its climbing speed, the length of its landing field, its fuel consumption at Mach 1.4, the cost for each aircraft, for training and for replacement parts.

At the present time four different aircraft models are involved in the air battle over this contract:

- i. the Saab company's Swedish Dragon; after a general overhaul 24 of these machines cost 1.5 billion schillings;
- ii. the French Mirage II by Dassault which would cost more than 2 billion schillings for 24 aircraft;
- iii. the British Lightning produced by Aerospace is being offered for 1.6 billion schillings; the airplanes which are being considered for Austria are at the present time still flying in Saudi Arabia;
- iv. the American F-5 E Tiger by Northrop is the only one of these machines which is brand new and hence it is more expensive: 16 of them cost more than 3.5 billion schillings.

If in the case of any of these models one adds the financing costs and expenditures for infrastructure then the total procurement costs are at least three times higher than the "fly away" price.

All the models belong to the second jet generation. In their basic engineering design they are products of the fifties but "like a VW bug" (Bernecker) they are being continually modernized.

The airplanes of the third jet generation, those which became airborne after 1970, quickly took flight from the list of possible choices. This was mainly because of their cost: 24 F-16 jets produced by the American armament firm General Dynamics were offered in 1981 to the Austrian Army for about 6 billion schillings. Comparable models such as the Swedish Viggen J-37, the Mirage F-1 or the British Jaguar cost still more. A confidential report of the Austrian Army in March 1984 ("The Use of Combat Aircraft To Secure the Control of Austrian Airspace"--issued by the Air Division of the General Army Inspectorate) rejects the third jet generation for Austria but does so for a much weightier reason:

"Austria puts a new airplane into service 7 years before the date at which other air forces commence the slow process of replacing it. On the other hand this system has a lifetime of 15 to 20 years so that for more than half of its predictable existence it is actually quite obsolete."

The study supports as follows the view that Austria cannot wait for the fourth-generation jets which would go into mass production around 1990:

"The problem of the combat airplane will remain unsolved not only until 1987 but also for an additional 6 years. In other words for a total of 9 years. At that point in time no qualified personnel will be any longer available

because those aircraft officers and engineers who have had training on a combat airplane will in the meantime have changed jobs or have gone into retirement. In 1993 Austria will have the most modern and prospectively the most economical equipment for securing control of its airspace but the staffing of this airspace, flight operations and the maintenance of materiel will be nevertheless under the management of personnel which has had to make a jump of four technology generations practically without any interim steps in the process."

Such a jump can be dangerous. "Our pilots must first have practice with modern machines" is the foreboding of defense minister Frischenschlager. "Otherwise they'll be dropping down on us like flies."

Therefore the army pilots should at the outset fly into the supersonic age in used aircraft which are about 20 years old. "The fact that in Germany more than 100 Starfighters have crashed is not only for engineering reasons," warns Frischenschlager. "They have been putting inexperienced pilots into airplanes that were far too overloaded." For this reason the army study recommends as the cheapest and most reliable variant policy the purchase of airplanes of the second generation. "Their procurement is a solution which will be effective for about 8 years," but will make sense only "if they are reliably followed up by the fourth generation. Without being followed up such procurement would become self-serving and would give rise to all those investments required by requisite flanking measures without ever--owing to their short life--being able to make full use of them."

At the present time the cost of a fourth-generation jet can only be estimated. But at least the manufacturers are of the opinion that through the use of more microelectronics the airplanes would become lighter and hence cheaper.

Up to the point of purchasing airplanes of the fourth generation the necessary infrastructure is to be created in Austria: longer landing fields, hangars as bombproof as possible, repair shops, specialized personnel. The estimated costs according to an army study will be 500 million schillings.

People living adjacent to the army airfield in Zeltweg fear that in event of a conflict they will be among the first targets of bombs and are planning protests. Property owners have been hesitant to make room for lengthening the landing fields. Only economic sweeteners can help out in this situation:

"Finally, the political decision must nevertheless be salable both externally and internally," counsels the army study. "The procurement of weapons systems whose technology and combat value are widely doubted cannot be assured on the basis of argument. What is needed is a calming factor which exhibits the logic behind this decision." This factor has already been found: "A general explanation of purpose favoring a bilateral cooperative agreement for the next generation of aircraft" (army study).

In plain language: Only those firms which ease Austria's entrance into the aeronautical business through contracts given to domestic industry will be able to sell their aged jets. In the ministry of trade where competing

business offers are examined priority is given to "the transfer of technological specialization." In the course of earlier offers of compensation foreign companies certainly displayed little interest in such a transfer of know-how. Their purchase orders listed such sophisticated products as automobile tires, V-belts, aluminum sheet metal, refrigerator motors and rubber hoses.

Frischenschlager on Planes

Vienna PROFIL in German 8 Oct 84 pp 22-23

[Interview with Friedhelm Frischenschlager by Otmar Lahodynsky: "The Austrian Army Without Airplanes Is Ridiculous"; date and place not specified]

[Text] PROFIL: Chancellor Sinowatz made an authoritative declaration: "The interceptors will be purchased." But within the SPO resistance is emerging; the SPO of Graz, the SPO in the Tirol and in Upper Austria as well as the entire SPO youth oppose this investment of billions. Do you have any fear that your most cherished wish might be unfulfilled?

Frischenschlager: "Most cherished wish"--that sounds as though it were just a private obsession of mine. The procurement of these airplanes is an event which has for decades been planned by all the political powers of this country.

PROFIL: ... but which has been repeatedly postponed for the same length of time.

Frischenschlager: It was possible to postpone it because until now it has never been so urgently necessary. Now we must replace the old Saab-105 airplanes.

PROFIL: Actually, you are to be congratulated. It appears that now you have been successful with something which no ministers before you, under undisputed rule by the SPO, have been able to accomplish. An expensive present from the coalition which you have managed to get for yourself....

Frischenschlager: This is no gift handed out within the coalition. If that were the true reason for this procurement then one would certainly be throwing money out the window. But the purchase of these airplanes simply cannot be postponed any longer. Unless we want to say that Austria should be the only hole in European airspace through which anyone at any time may freely fly. That would mean abandonment of any form of airspace security and permitting ourselves surveillance only by binocular or by radar.

PROFIL: But these latter alternatives would certainly save us a few billion schillings.

Frischenschlager: The cheapest solution would be termination of all military national defense. That would certainly yield us an easier budget situation for a few years although the approximately 3.5 percent of the total budget allotted to defense would hardly make much difference. If you consider the

efforts which Austria has made thus far for its military security you cannot claim that we have expended gigantic sums for this purpose. But a certain minimum standard is necessary. An Austrian Army without airplanes is ridiculous.

PROFIL: But you yourself have admitted that in the event of war there can be no effective Austrian air defense. Certainly 24 interceptors would not be enough for that.

Frischenschlager: Austria would not be able to build an air defense comparable to that of Sweden or of Switzerland. Too many decades have gone by for that. We don't need these airplanes for the defense of airspace. That is unpleasant to say but it is a fact. If Austria were to be attacked, in a defense situation we would certainly not be able to produce any significant air defense with these 24 airplanes. But the republic must be capable of responding effectively to infringements of Austrian airspace committed for political reasons, for blackmail, to create faits accomplis. Otherwise some power will in a very friendly way declare itself prepared to take over this function for Austria. In this area we are very open to political blackmail.

PROFIL: But we have been in that situation ever since 1955 without its having done us any particular harm.

Frischenschlager: But the situation has never changed. We cannot close our eyes to the fact that neutrality in the air is naturally much more imperiled than that on the ground: you can fly in much faster than you can march in. People forget that once we had an interceptor, the "Flying Tons," made by Saab. These interceptors have been allowed to become obsolete and have not been replaced and now I am not supposed to complain about this. In 1967 under Georg Prader who was the OVP defense minister at that time 40 training aircraft were purchased. These were the Saab-105. But no airplanes were procured for which this training was being carried out. Insanity. Since then we have been flying around in these training planes and in the meantime they have become fewer in number.

PROFIL: ... because some of them have crashed.

Frischenschlager: Yes, a couple did crash. But the apparatus and the organization of our air combat forces remained essentially unchanged. If today we discontinue this organization because we maintain that at the present time we cannot afford airplanes then it will be 10 years before we can reestablish our present status in terms of personnel and infrastructure. To me such a decision is simply too risky.

PROFIL: What exactly would the new airplanes be expected to do?

Frischenschlager: We require a minimal airspace control instrument in order to be in command of crisis situations and in order to hinder provocative scouting flights and in order to prevent overflights by transport planes. Or whenever provocative flights are carried out over our territory for purposes of political blackmail.

PROFIL: But wouldn't the real crisis situation begin only if we shot down such an airplane?

Frischenschlager: There the political decision is the same as it is on the ground. We require the airplane and on-board guns, and not guided missiles, in order to be able to carry out the entire spectrum of warning measures: identifying the aircraft, making it clear to him that he is flying over alien territory, and driving him off. If this is without effect then we must force him to land. As an "ultima ratio" we must also be in a position to combat such an invader with our aircraft; otherwise it is all pointless.

PROFIL: In a time when the government has to cut social expenditures more and more Austrians are coming to doubt the logic of this investment.

Frischenschlager: It certainly would have been easier in more prosperous years. But in 1987 and 1988 we shall have simply reached the end of our old equipment. If we carry out this project it will amount to a tenth of 1 percent of the national budget and about 5 percent of our defense budget. I don't want to deprecate the magnitude of the sum but 500 million schillings per year are just one-tenth of 1 percent of our national budget. And with this amount it would not be possible to finance all those needs which people say have a prior claim. That is nothing but polemics.

PROFIL: If all the secondary and financing costs are included in the calculation then it is said that these airplanes will cost altogether over 10 billion schillings.

Frischenschlager: These astronomical figures are certainly false. I shall state the exact amounts as soon as we receive that information from the companies. But this procurement of aircraft comes to a quite practicable figure which can be paid out of the defense budget. We don't need any special financing.

PROFIL: Advocates of the militia fear that through the purchase of these airplanes it will be necessary to postpone necessary procurements such as light antitank weapons or artillery.

Frischenschlager: That is sheer nonsense. Naturally, we shall also make those investments which are required for the militia. It is true that we must do some restructuring but our defense budget which for years had been dropping has now increased slightly: from 3.39 percent to perhaps 3.6 percent. Nevertheless, we have the lowest military budget to be seen anywhere.

PROFIL: In the selection of an airplane model won't you also respond to pressure from the superpowers?

Frischenschlager: We cannot orient ourselves relative to the superpowers; this is really a decision for us alone. Naturally we shall take into account economic questions and foreign policy questions. But if we in Austria were to continuously ask the superpowers what we may or may not do this would be a surrender of sovereignty.

PROFIL: Does that also apply to the procurement of rockets which are forbidden for us according to national law?

Frischenschlager: That is a political problem. We have committed ourselves to armed neutrality and therefore we must maintain a certain standard in defense technology. For this reason we shall in the long or short run eventually require these rockets. We must awaken in the international community of states an understanding of our needs. But with regard to airplanes, guided missiles are the least of our worries. Guns on board suffice as a credible deterrent.

PROFIL: If the purchase of the interceptors is postponed again will you resign?

Frischenschlager: Any defense minister will be confronting the same situation. We can order a new defense minister every day and he can resign the same night. There is nothing with which I need to reproach myself. Anyhow, I am certain that the decision is now final.

PROFIL: And if in a plebiscite the majority of Austrians were to reject the interceptors?

Frischenschlager: Naturally a country can always ask itself whether it wants to preside over its own dissolution. We can have a vote on every military procurement but how one would carry out a defense policy under such circumstances is unclear to me. Then people should simply elect other parties and say "No, we don't need any military national defense." Otherwise we shall have the same situation as that which existed with Zwentendorf.

8008

CSO: 3620/96

DETAILS ON 'NIKIFOROS 84' MILITARY MANEUVERS

Nicosia I SIMERINI in Greek 9 Nov 84 p 11

[Text] The great "Nikiforos 84" maneuvers of the National Guard continued yesterday for the fourth day under real war conditions. Infantry, Artillery, Tanks, Engineers, Communications and Medical Services were all in action. With combined actions, according to the developments, they conducted a hard fight to thwart enemy actions so as to safeguard the independence and freedom of Cyprus. The reporters, who had the opportunity and good fortune to observe the various episodes of the scenario of the "Nikiforos 84" maneuvers at close quarters, ascertained first-hand two fundamental things:

First: That the military command works, or better yet, fight hard, in order to make the National Guard a defensive shield as well as the attacking spear of Cyprus.

Second: That our children in the service, both draftees and reservists, train most willingly in order to be ready whenever circumstances may demand it to say "here" and to fight for the honor and freedom of the nation.

Full Cooperation

As the communique on the subject reports, "the weapons, the materiel and the personnel, deployed in the depressions and gullies of the terrain and covered by camouflage nets (or tree branches) had been arrayed in a perfect way so as not to be detected even by the most experienced eye. The area where the units in maneuvers have been placed, always according to the exercise's scenario, is controlled and under observation from land, sea and air and any offensive move against it can be countered with accurate and effective fire..."

We saw guns of various types and the 128 millimeter launchers fire against the enemy to support the infantry attack. We saw the "Cascabel EE9" or "Rattlesnake" tanks cross, at high speed, broken, muddy terrain to intercept advancing enemy tanks and to clear the field for the infantry attack. We saw the BAB (Renault) armored personnel carriers also move at high speed over uneven, muddy fields, transporting reinforcements to the battlefield.

Everyone in Action

The National Guard communique reports on the subject: "The fire from all the weapons (artillery, tanks, anti-tank artillery of every kind, anti-aircraft, machine-guns, rifles) were distinguished by their rate of fire, accuracy, effectiveness and results against the attack targets.

"In the area of the maneuvers, the positioning of the weapons and other military equipment, the deployment of the combattants, the firing, the explosions, the smell of burning gunpowder, the noise of motors, the sudden movements, the calls for firing and the war cries have created a real warlike atmosphere. Special emphasis is placed on the knowledge of the adaptability and perfection in the handling of the weapons as well as on the decisiveness, willingness and fighting spirit of all reservists..."

The Military Leadership

Regarding the cooperation of all the arms and units for the success of the exercise, which impressed all those who saw it yesterday, the communique states:

"There has developed a multiple network of communications and administration. The schedules, crossings, approaches with equipment of the Corps of Engineers are improved to facilitate the movements and deployment of the units or are made impassable according to the planning and provisions of the exercise. Special importance has been given to the use of darkness by the units in the exercise that move at night, are resupplied at night and fight by night dictated by the exercise..."

We spoke to draftees and reservists, officers, soldiers and artillerymen. The observation is that the morale of everyone is high. They carried out the orders of their superiors with willingness and without delay, as called for by the circumstances.

The military leadership was observing yesterday all phases and episodes of the exercise with the directives as well as giving of advice where needed, raising and improving the fighting spirit and the combativeness of the combattants, both officers and soldiers.

9731

CSO: 3521/82

TACTICAL AIRCRAFT PROGRAM PLANNED

Madrid EL PAIS in Spanish 22 Nov 84 p 23

[Article by Carlos Yarnoz]

[Text] The Spanish Air Force has initiated a program designated as Future Tactical Aircraft (FAU) whose purpose is the manufacture in Spain of tactical combat aircraft that could be put into service at the end of the next decade. The blueprint of the future aircraft, which theoretically will be built by CASA [Aeronautical Manufacturing Inc.], will be based essentially on the experiences which the Spanish aeronautic and electronic enterprises will acquire through their participation in the development of the future European Combat Aircraft (ACE) and in the coproduction of advanced technology elements of the 72 F-18A planes of the FACA [Future Combat and Attack Aircraft] program.

Even though the FAU program has not been disclosed officially in Spain, both representatives of the Spanish arms industry and the chief of staff of the Spanish Air Force himself, Lt Gen Jose Santos Peralba, have referred to same in various meetings held in Spain and in other international forums.

As a preliminary step to the FAU, Spain also plans to produce a small combat aircraft to effect support missions for other operational aircraft. The small plane will be a version of the CASA C-101, initially planned as an advanced training aircraft and of which the Spanish Air Force has about 80.

CASA has already developed the C-101DD version, focusing on ground attack and interception missions, and it is not ruled out that it will shortly build another naval version for maritime patrol and antiship operations. Senior Venezuelan officers have already taken an interest recently in this version of the plane.

In the opinion of CASA's officials, besides the firm's coproduction of some parts of the F-18A aircraft, CASA will secure valuable experience through its participation, together with the major aeronautical enterprises of Europe, in the ACE program, an aircraft that will be operational around the middle of the next decade.

Britain, Italy, France, the Federal Republic of Germany, and Spain will participate in this program. The Spanish Air Force will acquire 100 planes of this type.

The Spanish Air Force of 1990

At the last meeting of the National Defense Board held on 6 November 1984 to determine the adequate level of power of each service in the next few years, one of the aspects highlighted was the strengthening of the Spanish Air Force essentially at the expense of the Spanish Army, a fact which has been duplicated in all Western armed forces in the last few years.

The present inventory of the Spanish Air Force consists essentially of 24 Mirage-3, 72 Mirage F-1, 39 Phantom, 55 F-5, 6 Orion P3, 1 Hercules C-C-130, 77 Aviocar, 92 C-101, as well as 5 Mystere, and 2 DC-8 aircraft and 20 Puma helicopters.

However, by 1990 the Spanish Air Force will have acquired the F-18A's and, essentially, an automatic warning and control network called Grand Combat of which two stages have already been completed while the third is being initiated. This network will be hooked up with that of NATO.

Also, the Spanish Air Force has initiated a broad program for the construction of shelters for combat aircraft, the first of which have already been opened at the Albacete base.

Plans for the coming years also include the purchase of AIM-91 Sidewinder missiles. The Spanish Air Force similarly anticipates the acquisition of other missiles of the most advanced technologies both in the United States--where it will purchase the Sidewinder missiles--and in European countries.

However and with the purpose of achieving greater autonomy, this service has initiated programs to increase to the maximum the nationalization of supply sources, and the FAU program falls within this framework, according to Spanish Air Force sources.

Despite this goal, the Spanish Air Force has serious differences with CASA, the largest Spanish aeronautical firm.

2662

CSO: 3548/49

BACKGROUND ON NEWLY APPOINTED CAPTAINS GENERAL

Madrid DIARIO 16 in Spanish 19 Nov 84 p 10

[Text] Madrid--The first lieutenant generals who have not participated in war have started to occupy the captains general posts (the most influential positions in the military hierarchy), for example, Gustavo Urrutia Gracia (Madrid), Fernando Gautier Larrainzar (Sevilla) and Baldomero Hernandez Carreras (Zaragoza).

This coming January, the top echelon of the Land Army will undergo a remodeling, when, on 15 January, the Army chief of staff (JEME), Lt Gen Jose Saenz de Tejada, is transferred to active reserve status. On 28 November, the captain general of Barcelona, Luis Saez Larumbe, joins the active reserve.

Both vacancies will cause the promotion of division generals belonging to the "first graduating class" of the General Military Academy, who joined the Armed Forces after 1939.

General Academy Classes

The last military chiefs from the so-called transformation classes, consisting of the provisional second lieutenants from the war who pursued a military career, are about to end their active career, to make room in the Army's command posts for the members of the General Academy in Zaragoza, which started operating in its third period on 20 February 1941.

Up until now, the Army generals have been, consecutively: 1. professional military preceding 18 July; 2. cadets who had already entered the academies when the conflict started; and, 3. provisional second lieutenants who remained in the militia and attended the academies upon the conclusion of the war.

The generals from the Zaragoza Academy, with 4 years of studies before qualifying to be officers (lieutenants), are not marked by the very harsh trauma entailed by the 34 months of war. Reliable military sources in the defense department think that this requirement is essential for the leadership of the modern Army that Spanish society demands under democracy.

They Did Not Wage the War

Two generals of acknowledged professional prestige and proven loyalty to the democratic institutions, from the General Academy, will soon be promoted by the government to lieutenant general, to fill two key vacancies that will not occur until January: the JEME post and that of captain general of Cataluna.

They are Gens Miguel Iniguez del Moral, present joint chief of staff (EMACON), an advisory position to the Joint Chiefs of the General Staff; and Fernando Rodriguez Ventosa who, up until a few days ago, was Spain's representative to NATO headquarters in Brussels.

Informed military circles consider as candidates to replace the Army chief of staff Generals Iniguez and Gautier, the latter recently appointed captain general of the new southern military region, with headquarters in Sevilla.

Gen Iniguez del Moral is the executor of the plan to modernize the Land Army, known as the META Plan; something which gives him a greater chance of being named JEME.

Nevertheless, General Gautier has more seniority in the position of lieutenant general, in addition to ranking number one in his engineers' class, the branch from which he comes. General Iniguez is also included in this same graduating class.

Considered certain to replace Saez Larumbe in Barcelona is the appointment of Gen Rodriguez Ventosa. This captain's position will be expanded in its territorial demarcation, based on the guidelines of the META Plan, assimilating into it the present Aragon area, with headquarters in Zaragoza.

Thus, the last captain general of Zaragoza will be Baldomero Hernandez Carreras, appointed by the last Council of Ministers to replace Lt Gen Manuel Alvarez Zalba, who joined the active reserve on 4 November. This military commander was dismissed suddenly by the government, at the proposal of Minister Serra, on account of statements made a few days earlier to the EFE agency, in which he criticized the lack of an adequate defense in Ceuta and Melilla.

Insofar as the Civil Guard is concerned, the continuity of General Saenz de Santa Maria as director of the armed institution, regardless of his transfer to the active reserve, invalidates the claim that the present captain general of Madrid, Gustavo Urrutia Gracia, would be named director of Benmerita. General Urrutia will have a long stay in the position of lieutenant general, until mid-1987.

As for the most important post in the military, after that of the king, in the FAS chain of command, namely, that of defense general chief of staff (JEMAD), the current holder of which, Adm Angel Liberal Lucini, will enter the active reserve on 21 February of next year, the current Air Force chief of staff, Lt Gen Jose Santos Peralba, is still the defense minister's best qualified candidate.

The generals who will be occupying the positions with the maximum responsibility in the Land Army this coming January will be typified by not having taken part in the Civil War and coming from the General Military Academy. These generals are the ones called upon to integrate Spain into NATO under the Socialist government, since President Felipe has announced that we shall not be leaving the alliance.

General Iniguez

From the first graduating class of the General Academy; he did not take part in the war; a candidate to hold the post of Army chief of staff starting in January.

General Gautier

From the General Academy's first graduating class; he did not participate in the war. He is the new captain general of the Southern Region, and also a candidate for new JEME.

General Urrutia

Captain general of Madrid, he is a man on whom Minister Serra relies. He will join the reserve in mid-1987.

General Rodriguez

Until a few days ago, Spain's representative to NATO; he will be appointed captain general of Cataluna this month.

2909

CSO: 3548/50

EXPLANATIONS SEEN OWED ON NATIONAL ECONOMY

Nicosia I SIMERINI in Creek 4 Nov 84 p 3

[Text] When sometime ago the minister of Finance of West Germany, Mr. Shacht, visited Beirut during its better days, it was concluded that, on the basis of economic theory, its economy was bankrupt. However, he recommended to his companions not to disturb it. Not to touch even a pebble, otherwise it would collapse. If Mr. Shacht were to come to Cyprus today, he would discover the same thing about the bankrupt condition of its economy, but would not make the same recommendations. Here, things are much worse and they have stopped working as if by miracle. Those who doubt it have only to look at the deficits of the State budgets for 1985, which reach a total of 140 million pounds.

Actually, the government will need 75 million pounds to cover the current needs and commitments and an additional 66 million pounds for the various development works. Where, how and when is so much money going to be found? The answer will be given next Thursday when the budgets will be introduced in the House of Representatives by the minister of Finance. It is, however, safe to predict that a large part of the deficits is going to be covered by new taxes, both direct and indirect. The nation will again be called upon to "tighten its belt," to show discretion and prudent management," "to make sacrifices" in order to overcome the difficulties and to strengthen the struggle for national survival.

Are the difficulties going to be overcome in this manner, however, and is our struggle going to be strengthened? With new taxes eating away at salaries and incomes and with the constant increase in the cost of living, the public's ability to save will be even more limited. The low level of national savings will noticeably limit, in turn, the ability of the banking institutions to finance the economic activity on which the increase in production and the stability and improvement of the development rate are based.

Consequently, the new taxes will not strengthen and will not save our economy. On the contrary, they will weaken it and will hasten its course towards disaster. For this reason, the nation, which in the past few years has been called upon to bear ever-increasing economic burdens by turning over an ever-increasing portion of its income to the government, has the right to demand the settling of its accounts with the government. Where was, and where is, the money of the taxpayer going?

The stereotyped justification, given "ad nauseam," for the s elter and other

needs of the refugees and those generally affected by the invasion can no longer be valid, at least to the same degree as before. In addition, as opposed to the ordinary budget and the development budget, the budget of the Special Relief Fund shows, for the first time, a surplus of 1.3 million pounds. It is elsewhere, therefore, that the causes for the frightening fiscal deficits must be sought and the responsibilities for them must be attributed to others. Scandal after scandal, the Cooperative, the Nicosia-Limassol road, the Chemical Industries, the favoritism, the continuously ballooning of the government payroll, the loan installments of foreign debts and the high-living of the governing authorities, contain in detail all the reasons for our economy's wretchedness.

Before the president and the government demand new sacrifices from the nation, they should sincerely and publicly admit their mistakes, the inefficiency and their damaging habits and contritely state what sacrifices they themselves are willing to make before they ask others to do so in order to save the economy and the country.

9731

CSO: 3521/81

UNEMPLOYMENT FIGURES UP

Nicosia I SIMERINI in Greek 2 Nov 84 p 1

[Text] A significant increase in the number of registered unemployed was shown last July. As reported in the workers statistical bulletin of the Statistics and Research Section, in July unemployment rose to 3.9 percent of the economically active population, due mainly to seasonal reasons. Actually, the increase is attributed to the end of the packaging and exporting of agricultural products, to the continued registration of high school and university students for temporary work and the terminations from the Chemical Industries and Cement Plant. This includes the registration of teachers in private schools and kindergartens that close during the summer.

The following is also mentioned in the report:

28,291 individuals were employed in the government sector as compared to 28,078 in June 1984 and 28,023 in July 1983.

In March 1984 there were 9,395 Cypriots temporarily employed abroad as compared to 11,271 in December 1983 and 10,237 in March 1983.

9731

CSO: 3521/81

EXPENDITURES, ALLOCATIONS OF NATIONAL BUDGET

Nicosia O FILELEVTHEROS in Greek 9 Nov 84 pp 1, 12

[Text] The deficit of the fixed fund will triple during 1985 according to the ordinary budget which was introduced yesterday in the House of Representatives. Compared to 1984, the picture of our economic situation is as follows: Expenditures budgeted for 1985: 363,014,934 pounds. Budgeted income for the same year: 288,701,275 pounds. Budgeted deficit for 1985: 74,313,659 pounds. In 1984 the budgeted expenditures were 322,154,300 pounds; the income was 229,447,860 pounds and the deficit was 23,206,440 pounds.

The development budget that was also introduced yesterday will only be increased by 650,000 pounds over that of last year. That is, from 65,500,000 pounds in 1984, it is calculated to reach 66,152,000 pounds in 1985.

The Expenditures

The expenditures for 1985 by ministry are calculated to be as follows:

Ministry of Defense: 13,447,259 pounds. From this fund 8,000,000 pounds will be allocated to the National Guard and 5,435,959 to the Cypriot Army.

Ministry of Agriculture and Natural Resources: 10,401,004 pounds. From this amount 3,994,582 will be allocated to the Department of Water Development.

Ministry of Justice: 1,284,974 pounds, the greater portion of which, 1,048,979 pounds will be allocated to the prison system.

Ministry of Commerce and Industry: 2,221,881 pounds. Of this, 1,545,750 pounds will be allocated to the Department of Commerce and Industry and 371,423 pounds to the cooperatives.

Ministry of Labor and Social Insurance: 3,090,675 pounds. From this, 1,303,781 pounds will be allocated to Social Insurance.

Ministry of Interior: 31,922,633 pounds. From this sum, 24,472,542 pounds will be allocated to the Police.

Ministry of Foreign Affairs: 3,365,402 pounds. From these expenditures, the sum of 3,003,453 pounds will be allocated to the Diplomatic Service.

Ministry of Finance: 192,664,812 pounds. From this sum, 86,124,433 pounds will be allocated to public debt; 30,000,000 pounds for subsidies and 34,702,600 pounds for grants and contributions.

Ministry of Education: 45,809,679 pounds. 45,254,194 pounds will be allocated to education.

Ministry to the Presidency: 3,644,104 pounds. From this sum, 2,037,923 pounds will be allocated to the Public Information Bureau.

Ministry of Communications and Works: 14,517,042 pounds. From this sum, 3,863,668 pounds will be expended for Civil Aviation and 3,609,476 pounds for public works.

Ministry of Health: 25,288,202 pounds. From this sum, 16,799,866 pounds will be allocated to medical services; 3,393,655 pounds for psychiatric services and 4,151,529 pounds for pharmaceutical services.

The Income

Included in the income that has been budgeted for 1985, the more basic ones include: From income tax, 62,500,000 pounds; from other direct taxes, 78,715,000 pounds in which are included 8,150,000 pounds from registrations, permits and driver's licenses; 5,750,000 pounds from duties for the public register of property and real estate taxes.

From indirect taxes: 3,550,000 pounds from the registration and licensing of public vehicles; 380,000 pounds from hunting licenses; 13,000,000 pounds from tobacco consumption taxes; 60,000,000 pounds from import duties; 950,000 pounds from liquor taxes; 4,000,000 pounds from beer taxes; 12,000,000 pounds from petroleum products taxes; 16,000,000 pounds from vehicle import duties; 2,100,000 pounds from carbonated beverage taxes; 340,000 pounds from the tax on salt and 500,000 pounds from horse-racing betting taxes.

The remaining income will come from services, sales of goods, transfers, rents and duties.

In addition, there will be an income of 4,000,000 pounds from the State Lottery. The grant of the Greek government amounting to 10,600,000 pounds is included in the income.

Development Budget

The basic expenditures of the development budget cover development and infrastructure works. The largest sums will be expended for water development and will amount to 22,039,921 pounds and 8,053,000 pounds for the road network.

In the memorandum of the Bureau of Planning regarding the development budget, it is reported that:

"Only the most cost-effective development works were chosen, aiming at fulfilling the objectives of the 4th Plan. Allowances were made for the continuing develop

ment works. The budgeted amount is compatible with the overall fiscal policy which, on the one hand, seeks to limit the fiscal deficit and, on the other hand, seeks to improve the distribution of expenditures in favor of investment layouts.

"The allowances for the Southern Conduit (10 million pounds), the 3rd Plan of Road Development (5 million pounds), the works of Khrysokhou (4.5 million pounds) and Vasilikon-Pendaskhoinon (4 million pounds) are mentioned as examples.

"The Development Budget anticipates expenditures amounting to 65.5 million pounds from the Development Fund and 7.9 million pounds from the Public Loans Fund. From the amount shown in the development budget, 2.0 million pounds will be transferred to the Public Loans Fund.

"The fact that the budgeted sums are mere projections, to a certain degree, should not be overlooked and it is possible that they may be changed during the year if economic developments demand it."

9731

CSO: 3521/81

GOVERNMENT HEAD STRESSES INFLATION PROBLEM IN PARLIAMENT SPEECH

Copenhagen INFORMATION in Danish 22 Oct 84 p 8

[Article by RB: "It Is Difficult To Control Inflation On Greenland--
The Economic Climate Is Main Topic As Parliament Begins New Session"]

[Text] At the beginning of next year home rule in Greenland will be well on its way toward assuming the Danish government's role as the biggest employer on Greenland and thereby also have a greater influence on inflation.

"Unfortunately we have to admit that the anti-inflation agreement we concluded last year with the minister for Greenland did not have the effect we desired," said Jonathan Motzfeldt, the national chairman of Siumut when he welcomed members of Greenland's parliament on Friday for the fall session.

"Our decision to leave the EEC at the beginning of next year will strengthen and develop our home rule more and more toward the right of self-determination but will also--of course--impose obligations on us. I am certain that the members of parliament are ready to assume the burdens of this decision," the chairman said, with reference to the negotiations and the concession agreements for oil exploration on East Greenland.

The take-over of the export and production department of the Royal Greenlandic Trading Company also played a prominent part in the welcome speeches:

"We are taking over more and more areas in need of capital investments and it is therefore very important that we are economical and watch our means. It will be necessary to borrow money but we must keep in mind that our total workforce of 22,000 persons does not amount to much when it comes to paying it back."

Jonathan Motzfeldt expressed regrets over the fact that it would not be possible to raise wages to any significant degree during the first couple of years.

"During the periods when we encounter difficulties created by climatic conditions, we must not resign and become passive but rather be steadfast in our determination to hold on to the ability our people have shown from time immemorial to overcome such catastrophies," Jonathan Motzfeldt said.

No Cheap Rubber Boots

The Atassut Party [Mutual Cooperation Party]--the largest of the opposition parties--responded ostentatiously to the opening speech in its political reaction expressed by Otto Steenholdt, member of parliament who said:

"Siumut is an untrustworthy party that shirks its responsibility to the people. And this is just the beginning. Everyone has been looking forward to the cheaper goods we were promised when we left the EEC. But they are not showing up. We have always said that the economy would deteriorate if we left EEC and--unfortunately--we turn out to be right. We are not getting the cheap food we were promised nor the outboard motors or rubber boots," said Steenholdt.

"The economic difficulties are already piling up for Siumut and that is the reason for the party--all of a sudden--to embark on oil explorations on East Greenland--directly contrary to the wishes expressed by the local population," Otto Steenholdt stated.

9349

CSO: 3613/21

IMPROVED BUSINESS, EXPORTS SEEN

Athens TA NEA in Greek 30 Oct 84 p 20

/Excerpt/ The business climate index is improving. During September it increased by 16 points compared to June, according to an economic study by the Economic and Industrial Research Institute /IOVE/. The data on which the relevant assessments are based can be summarized as follows:

- a. Increase in the estimates for the total demand;
- b. Decrease in the number of industries which believe their reserves to be high; and
- c. Strengthening the prospects for increased production.

A reliable source of the appropriate ministry pointed out yesterday that for the first time in the past 2 years IOVE (the Association of Greek Industrialists /SEV/ is listed among its founding members) expressed great optimism about the improvement of the business climate. It was also pointed out that this fact is of significant importance if it is considered in conjunction with the rise being reflected in the industrial production, with the change in the investments sector and with the recent statements by SEV President Th. Papalexopoulos during a press conference at the Society of Foreign Correspondents.

The conclusion of the IOVE study mentions in part, that "the developments in the whole industry during September are decisively influenced by the estimates of the consumer industrial and intermediary products. Similar improvement, but of poorer intensity, however, is also observed in the areas of food, beverages, tobacco and capital goods.

Exports

In the meantime, there is also strong optimism as concerns the course of exports in a 12-month period. In a statement the Panhellenic Exporters Association foresees a perceptible increase in exports during the October-November 1984 2-month period both in value and in volume. On the other hand, the Organization for the Promotion of Exports /OPE/, referring to the exports,

said in an announcement that:

- a. In July 1984 the total exports reached 379.7 million dollars or they increased by 31 percent compared to July 1983.
- b. The increase of the industrial products reached 30.6 percent and the farm products 9.1 percent.
- c. During the first 7 months of 1984 the exports totaled 2,862 million dollars or they increased by 23.4 percent compared to the corresponding 1983 period when they had decreased by 13.4 percent.
- d. Industrial production continues to increase and covered 53 percent of Greek exports while farm products covered 30 percent during the 7-month period of 1984.
- e. In June 1984, exports to EEC countries showed a considerable increase and covered 51.7 percent of total exports compared to 46.3 percent in the previous month of May.
- f. Exports to Eastern countries increased also (9.4 percent) while those to other countries showed a decrease.

A comprehensive analysis of exports as published in a special bulletin by OPE shows that during the January-July 1984 period exports increased in seven out of nine major categories of products and that exports of farm products have assumed an increasing rate.

7520
CSO: 3521/75

BALANCE OF PAYMENTS DEFICIT RISES

Bank of Greece Report

Athens 1 AVGI in Greek 30 Oct 84 p 1

/Text/ Bank of Greece statistics show that the balance of payments deficit during the 1984 January-August 8-month period increased compared to last year. The deficit reached 1,439 million dollars and reflects both the increase in the trade balance despite the increase in exports and the increase drop in the balance of invisible resources. But it is mainly due to the increase of fuel imports which reached 1,976 dollars compared to 1,282 million dollars during the corresponding 1983 period. However, appropriate government officials estimate that this increase will not be continued in the last months of the year and claim it will finally be checked at 2,000 billion dollars.

More analytically: imports showed an increase of 12 percent and 0.9 percent with and without fuels, respectively. Exports, excluding fuels, showed an increase of 9.6 percent (exceeding by 4 percent the level of the 1982 8-month period) while with fuels they increased by 20.8 percent. Thus, the trade balance deficit reached 3,578 million dollars or it increased by 6.6 percent compared to last year.

In the area of invisible resources, only the tourist exchange showed an increase of 8.5 percent while transportation (mainly mercantile) continued to decrease by 16.9 percent. The remittances by immigrants also decreased but by a smaller rate of 1.8 percent while income from EEC was also reduced by 7 percent. The invisible transactions' balance reached 2,139 million dollars or 4.7 percent less than the 1983 8-month period.

The influx of private sector capital increased by 8.3 percent and reached 719 million dollars. The increase is due to the purchase of real estate (14.8 percent), and the deposits by citizens in foreign exchange (12.1 percent) while the influx of entrepreneurial capital continued to decrease (-5.7 percent).

The rest of the balance of payments deficit is due to state borrowing (1,135 million dollars compared to 773 million dollars in the same 8-month 1983 period and after deduction of amortizations).

Foreign exchange reserves in August reached 1,328 million dollars compared to 1,055 million dollars in August 1983.

Deficit Due to Oil Imports

Athens I VRADYNI in Greek 31 Oct 84 p 15

/Text/ "The balance of payments deficit will reach 2,500 billion dollars," according to an ND statement which further says that:

"On the basis of statistics for the first 8 months of 1984 compared to the same 1983 period the balance of current transactions shows an increase of 30 percent which means that the annual deficit will finally be shaped at 2.5 billion dollars. Since, however, the data worsen month by month at an increasing rate, there is a great possibility that this deficit may not be limited to even this limit of 2.5 billion dollars.

"The Bank of Greece informs us that the increase in the deficit is due to a considerable extent to the increased expense for oil products; and this despite the fact that international oil prices are dropping. The explanation is simple: the oil reserves ND left have been used and have now dropped below the tolerable limits and PASOK is forced to make increased imports. These developments confirm what ND for years has claimed: that the PASOK government was saved from international bankruptcy thanks to the EEC and to the prudence of ND to leave high oil reserves. And now that the hour of judgment /elections/ has arrived, PASOK is trying to postpone it by increasing borrowing from abroad and thus mortgaging with an unpermissible irresponsibility the country's future. The borrowing from foreign countries has increased by 37 percent the first 8 months of 1984 and it is certain that, if it continues at this rate, it will exceed the sum of 2.2 billion dollars in 1984."

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CS0: 3521/75

NATION SEEN INCREASINGLY ISOLATED IN EEC ECONOMY

Athens I KATHIMERINI in Greek 4-5 Nov 84 pp 1, 15

[Article by Nikos Nikolaou: "Greek Economy Progressively Isolated from Other EEC Member-States. Findings by Officials of International Organizations"]

[Text] Today, while economic policy planning for 1985 is nearing completion, and KYSYM [Government Council] may meet the week after this under the chairmanship of Andr. G. Papandreou to approve Ger. Arsenis' proposals on fiscal and incomes policy, economic observers are disappointed to find that for the fourth year in a row the government is persisting in the same mistakes and the same frivolous behavior which have marked its failed policy in the previous 3 years. This disappointment is being noted openly abroad too, in the headquarters of the international organizations to which Greece belongs, such as the IMF in Washington, the OECD in Paris, and the EEC in Brussels.

Senior officials of these organizations underline that the Greek government is unique perhaps among the developed countries in persisting in a populist policy that results in holding down economic activity, in multiplying the number of unemployed, and in keeping inflation at a high level. However, what literally amazes these same officials is that they are unable to discover any substantive ideological or political explanation to justify this "Greek activity."

In Western Europe today there are more than five Socialist governments, some of which were elected recently, and /all of them without exception/ [emphasized in original] are carrying out exactly the same economic policy as the countries where conservative governments are in power.

The result is that in all these countries inflation is falling spectacularly, government deficits are being held down, production is recovering, and the economy is moving rapidly from convalescence to recovery. To be sure, unemployment in Western Europe shows no signs of improving, in contrast to the United States, where millions of new jobs are being created. Is it possible however that the government's persistence in a policy of expansion led by the public sector has compensated by at least doing something for working people? On the contrary, in the 3 years of PASOK government the number of visible unemployed has gone from 135,000 to 350,000.

However, the representatives of the international organizations stress, isolation in the realm of economic policy is more dangerous and harsh than it is in human relations. This is because the Greek economy is still an open economy, and it will in the end lead to a tragic situation if it is separated from the other economies, i.e. if it remains in a slump when there is international recovery and inflation is falling. The Greek market will be flooded by more and more foreign goods, while the country's indebtedness will rise by leaps and bounds.

EEC officials already note that the Greek government's economic policy is creating grave imbalances in our economy's relations with the economies of the EEC member-states. These imbalances occur in the following areas:

1. High inflation. Between 1980 and 1983 inflation in Greece fell from 24.4% to 21.1%, while in the same period it fell from 11.2% to 8.7% in the EEC. In 1984 things got worse. Last September inflation was 18% in Greece, but only 1.5% in Germany, 2.7% in the Netherlands, 3.9% in Luxembourg, 4.7% in Britain, 5.3% in Belgium, 6.1% in Denmark, 7.1% in France, 7.9% in Ireland, and 9.7% in Italy. Greece is the only country in the EEC with double-digit inflation. When imports can enter the country freely, and when companies are collapsing one after the other, is it possible for domestic production to hold out for long? EEC officials fear that if economic policy does not change quickly, the government in power in 2-3 years will request to return to a system of import controls.
2. High production costs. Wage indexing, high interest rates, and low productivity result in a constant decline in the competitiveness of our products. Today many of our exports are possible only because of government subsidies.
3. Devaluation of the currency. In recent years the drachma has never ceased in its constant decline, not only against the strong dollar but also in comparison with the European currencies. The EEC officials judge that between 1973 and 1983 the drachma lost about 50% of its value against the European currencies. Of course this rapid devaluation was necessary in the nature of things to compensate for the increase in the production costs of our products, but it did almost nothing to help develop the Greek economy and balance the economy's external exchanges. Exports continue to cover only 50% of our imports, and our country's dependence on other countries is increasing.
4. Deteriorating balance of payments. Greece's traditional trade deficit was balanced by invisible earnings and the inflow of capital from abroad. The government's anti-Western policy and the manner in which the climate is becoming unfavorable to foreign enterprises tend to limit both these sources. The surplus on invisibles covered 50% of imports in 1971, but this had fallen to 33% by 1983.
5. Continuous decline in investments. Fixed capital investments have fallen continuously since 1979 at an annual rate of around 6%, while private investments (which constitute 70% of the whole) have plummeted, with the annual decline reaching 8.7%. On the other hand, economic activity in 1983 was down 40% from the 1979 level.

6. Progressive decay of domestic production, which covers less and less of consumption, which is progressively coming to depend on imports.

The sum total of all these imbalances is that the Greek economy is becoming progressively isolated not only from its traditional markets but also from a region which is vital to our supply of high technology, capital goods, raw materials, and ready goods, and above all as a source of borrowed capital to cover the large deficits.

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CSO: 3521/62

EEC CONTRIBUTIONS SEEN INSUFFICIENT TO BALANCE LOSSES

Athens EXORMISI TIS KYRIAKIS in Greek 16-22 Nov 84 p 32

[Text] The claims of the Right and the "revelations" of the pro-ND press about the "abundance of millions" flowing into the country from EEC are but a common repetition. Countless of times we have seen big headlines about the ostensible grants by the "good EEC" to the "bad Greek government of PASOK" and we are tired of reading that "if it were not for EEC the Greek economy would collapse." We cite here the reasons which dictate an answer to these incredible praises about the Community's "ammaninity and generosity."

First of all, the claim that EEC disbursees and channels money to our country is at least historically absurd and so far from reality that even a freshman of economics or any citizen with an elementary knowledge of politics can realize it immediately.

Surely EEC is a fund of grants which can be maximized toward its "well-behaved" members. The European Community is simply a customs house union which implements a common policy in the agricultural sector. For a country like Greece with an open economy based mainly on tariffs, these EEC basic characteristics mean that, by its participation, Greece gives up the only weapon it has for the protection of its economy: the tariffs from imported goods.

Thus, every year we lose immense amounts because of the free customs policy EEC imposes while at the same time we "share" the inequitable treatment of the poor South by the rich North. Papandreou has repeatedly pointed out the "bleeding" and losses to the Greek economy caused by the conditions imposed by our EEC membership which the present government inherited and did not seek.

Therefore, the money Greece receives through the implementation of the Community programs in no way covers the cost of our participation in it. Papandreou has also pointed out many times that withdrawal from the Community at this time would be more painful than remaining in it.

The second point the supporters of the EEC generosity are ignoring is that the maximization of the appropriation EEC has channeled to Greece during the period of PASOK rule is due absolutely to our country's ability to prepare programs and create conditions of large consumption--conditions which the pro-EEC governments of the ND were unable to achieve.

BULGARIAN SHIPS REPAIRS AGREEMENT SIGNED

Athens ETHNOS in Greek 16 Nov 84 p 17

/Text/ A 40 million dollar agreement for the repair of Bulgarian ships at the Elefsis Shipyards was signed yesterday at the Ministry of National Economy. The agreement is considered "especially significant" because of the competition and crisis now devastating the shipbuilding and repair industry.

The agreement is for 5 years and is an implementation of what was agreed between Alternate National Economy Minister Kostis Vaitzos and Bulgarian Foreign Trade Minister Khristov during the inter-ministerial conference in Sofia on 15-19 October.

Already three Bulgarian ships are being repaired at the Elefsis Shipyards. These repairs are valued at about 1.5 million dollars and their payment will be by 90 percent in Bulgarian products (machinery, fertilizers, iron goods, etc.) and 10 percent in foreign exchange.

This agreement more than doubles the volume of repair work Bulgaria will give to Elefsis in the next 5 years. Pointing out its importance, Vaitzos said: "The speed with which both sides completed their talks as well as the positive benefits to be derived by both countries are an optimistic event. I think this agreement constitutes a specific example of high-level relations and good prospects now existing between our country and the People's Republic of Bulgaria."

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CSO: 3521/94

BRIEFS

INDUSTRIAL, ELECTRICITY PRODUCTION DOWN--The country's industrial production fell last August, confirming the view that the slight recovery in the months before was due purely to special circumstances. Nonetheless, the industrial production index still shows an average increase of 1.2% for the 8 months January-August 1984. In August 1984, according to the National Statistical Service of Greece's latest data, the general production index for mines, industry, and electricity & gas rose by 0.6%, compared with the same month last year. This is basically due to the rise of 25.7% in the production index for mines in that period. The industrial production index, on the other hand, fell by 0.2%. This decline was caused primarily by the downward movement in the indexes for tobacco, transportation, food, footwear & clothing, printing, publications, woven goods, wood & cork, rubber & plastic goods, beverages, and furniture. On the other hand there was an upward movement in the indexes for basic metallurgical products, non-electrical machinery & equipment, leather, petroleum & coal derivatives, paper, and electrical machinery & equipment, etc. There was also a fall of 1.6% in the production index for electricity & gas. The decline of 1.6% in the production index for electricity is indicative. The general index shows a rise of 2.2% for the 8 months, while the special production index for mines shows an increase of 17.1%; for industry, 1.2%; and for electricity & gas, 4.5%. /Text/ /Athens I KATHIMERINI in Greek 7 Nov 84 p 2/ 12593

LENINGRAD HOTEL AGREEMENT--The Greek State Company for Technical Projects will build hotels in Leningrad having a capacity of 1,300 beds each and in Bahou and Sukumi /all names transliterated/, each with a capacity of 300 to 500 beds, according to the protocol for tourist cooperation K. Kyriazis, president of the Greek Tourist Organization and his Soviet counterpart Piotr Abasimov. The agreement was signed yesterday in the presence of Soviet Ambassador Igor Andropov and members of the two delegations. This cooperation implements the agreement signed last year in Moscow which also provides the following: an annual increase of tourist trade between the two countries by 1-15 percent; development of special forms of tourism; discounts on airplane tickets and hotel room prices (except during peak periods); and expansion of the programs for excursions to the Soviet Union. /Text/ /Athens TO VIMA in Greek 17 Nov 84 p 17/ 7520

IN-DEPTH ASSESSMENT OF VIOLENT EUSKALDUNA SHIPYARD STRIKE

Madrid ABC in Spanish 22 Nov 84 pp 55-58

[Text] They are urban guerrilla tactics. Thus far, they have only been carried out by a radicalized minority with some involvement by people who are dissociated from the conflict but who are taking part in it out of revolutionary desire. Nevertheless, the fact is that the workers at Euskalduna, in Bilbao, have an increasingly entrenched sense of a "besieged city" that is prompting them to join in growing numbers with those fighting daily with the forces of order in genuine pitched battles. The problem of the Euskalduna shipyards, located in the middle of Bilbao's inner city, may be summarized in a few words. The industrial reconversion means that the payroll will decline from 2,500 to only 200 individuals, who will be engaged in repairs and not in building ships. Hovering over this tragic situation of a loss of jobs is the Nationalist charge brought by the ELA-STV [Solidarity of Basque Workers] union (PNV's [Basque Nationalist Party] transmitter just as UGT [General Union of Workers] is of the PSOE [Spanish Socialist Workers Party]), claiming that those shipyards are something like the cradle of Nationalist trade unionism in the Basque Country and for that very reason the Socialist Party wants to shut them down instead of distributing the scarcity of jobs among the other Spanish shipyards also affected by reconversion. Of course, only UGT is negotiating with the government on the conditions for this reconversion, and the rest of the unions deny that those negotiations constitute a solution for them.

The conflicts are occurring because the different unions decide every day to demonstrate, or cut off traffic in the city's downtown section. These are not announced, authorized demonstrations, but rather stoppages of traffic and interruptions in the pace of the citizens' lives. The civil government considers this illegal and has sent the public forces to disperse the demonstrators. The problem is that the large Euskalduna plant adjoins the bank of the estuary and its other boundaries, as well as its two exits, face thoroughfares with heavy traffic, such as the Deusto Bridge or the Sacred Heart of Jesus Square. The mere egress of workers in demonstrations 100 meters outside the company's entrance means cutting off the highway to Santander, or the one facing the freeway, simultaneously with another series of heavily trafficked routes. Therefore, the workers can leave their plant, walking home normally. But they are by no means allowed to do so in a demonstration unless they request prior permission. Hence, the forces of order have taken up positions slightly over 100 meters from Euskalduna's two entrances.

Slingshots and Catapults

From inside the plant, about 50 persons associated with the most radicalized groups (most of them belonging to the LAB [Basque National Union], which is Herri Batasuna's [Popular Unity] transmission line, although there are also some from ELA-STV and with other membership, are engaged in hurling all kinds of objects at the police from within the factory: nuts, steel ball bearings, rocks and bolts, using slingshots and catapults; as well as Molotov cocktails, iron bars.... The forces of order, in turn, from outside, hurl an extensive array of anti-riot materials at these groups: smoke bombs, rubber pellets.... If they come too close to the doors, the police are met with very heavy jets of water coming from the hoses used for cleaning ships, which can knock a person down and even cause him serious injury. In fact, there have been scores of injuries both among those inside the Euskalduna plant (masked revolutionaries, workers and even reporters who have entered to becoming informed) and among the group of forces of order. The battle has become more harsh, particularly in the vicinity of the Deusto Bridge. The police occupy positions very close to the factory gate and have even entered it twice. With this proximity, they are attempting to prevent the projectiles being hurled by the workers from hitting the passersby crossing the bridge; something that has already happened on several occasions, with the resultant injuries caused by nuts and bolts striking men, women and children who were doing nothing but walk across a public bridge.

The first thing in Bilbao that is surprising is the fact that, 200 meters from where genuine pitched battles are taking place, life is continuing its course quite normally (the fear of speaking and expressing oneself in any way which is evident when one deals with the people is something else). It seems as if the conflict were something affecting only those participating in it. This reporter, who experienced the absolute unity of the people of Sagunto when the industrial reconversion took place in its Blast Furnaces, must note that the problem at Euskalduna seems to have left the rest of the city completely cold. As several individuals told us: "One becomes used to everything, and we must keep on living." At the present time, social peace does not exist in the Basque Country.

Inside the Plant

After 1030 hours in the morning, we entered the plant by the gate facing Sacred Heart of Jesus Square. There were several policemen stationed there, protected by their transparent, reinforced, plastic shields. They explained to us that serious confrontations had occurred there a few minutes earlier, but that the conflict had been moved to the Deusto Bridge. At this time, one could enter the shipyards through this gate quite peacefully. We did so. On the floor, rocks, nuts, bolts, projectiles and smoke bombs, all in great abundance, bore witness to the violence of the confrontations that the area had experienced. We stopped at the guard post (with bullet-proof windows, of course) located at the entrance and requested permission to enter. While we looked for someone who could give us permission, a few meters ahead of us

there were groups of workers going by, carrying stretchers on which there were injured people to the infirmary. Upon passing, they looked in the direction of the police stationed above, and shouted all kinds of insults at them in loud tones. The term "assassins" was used quite often, and it was not the harshest in the repertory.

Within a short time someone came out with a portable walkie-talkie and allowed us to enter "exclusively at your own risk. If anything happens to you, we are not at all responsible for your safety"; something that one must accept if he wants to learn anything.

First, we went to the infirmary, located in the rear of a building in which there are but few complete windows left. The doctors could not say anything. They were too busy taking care of the injured, some of whom had been "chased" by rubber pellets. When we left the infirmary, the stretchers continued to arrive. "Tell, tell what is happening here." Tense faces were observed and one perceived hatred in some voices. A colleague who accompanied me, an expert in this type of reporting, accepted the risk as something normal. "To work here you have to take risks every day. Otherwise, you should work somewhere else."

Amid a real cloud of smoke, and protecting ourselves with whatever we could find handy from possible rubber pellet attacks, we found Jose Antonio Ruiz, a member of ELA-STV and of the company committee of the Euskalduna Shipyard, where this Basque Nationalist union is in the majority.

"The agreement signed by UGT and the main administration did not change anything whatsoever. Perhaps there was some change in the workers' coverage; but, essentially, there was no change with regard to industrial reconversion."

'Besieged City'

He stopped several times, weeping, while the indignation in his voice heightened, and he asked us to wait, saying that he was too upset to express himself clearly. Gradually, he expanded upon his opinion that what they are trying to do is dismantle the shipyard; and that, if it is true that ship construction is going to be reactivated by 1987, what must be done is to distribute the work equitably among all the Spanish shipyards and wait until that date.

He claimed: "We are being confronted with a fait accompli situation. We think that the decision against Euskalduna is political, because this is one of the few centers left with a Nationalist sentiment. This is a terrorist attitude of the central government against the Basque people, against Euskadi."

The conversation drifted toward the disturbances and the sense of a "besieged city," which has been created among the plant's workers.

He explained angrily: "We have criticized Francoist times a great deal, but this makes them moderate. It is a terrorist act. State terrorism is what is

being established here. We went out to demonstrate peacefully, and they didn't allow us to do so. They attempted to coerce the workers, so that we would accept a totally illogical activity, that I would call terrorist. Last Friday, we went out with our wives and children, and they subdued us in a horrifying way. But that was not what was bad. A genuine massacre could have occurred, including fatalities. This is state terrorism and we workers are going to defend our jobs by tooth and nail, and with our lives if necessary. We hold the civil governor and the central government responsible for whatever may happen here. We call upon all the parties in Euskadi to act, because this could become a real massacre. I insist that we workers are willing to sacrifice our very lives, because we are defending ourselves against a terrorist aggression."

Pitched Battle

Once the interview had ended, and taking advantage of a calm interval, we climbed to the terrace of a building located in front, facing the Deusto Bridge, within the plant's facilities. Beneath us were the groups attacking the police; ahead were the forces of order firing anti-riot material constantly. For the present, they are in the distance; but they have managed to approach and, since the terrace has no barrier, the press group could be cut down. This was obviously the best observation site.

Below us was a group of individuals with their faces masked, constantly changing location, taking shelter behind all kinds of material and hurling nuts and bolts at the forces of order using catapults. One of them did so with a slingshot. He reached farther and had great marksmanship. Two policemen approached the bridge railing and hurled several smoke bombs. One of the masked men came near unobserved and hurled a "Molotov cocktail" at their feet, which nearly burned them with a big blaze. There was a hail of rubber pellets and smoke bombs. The masked individuals leaped with great agility from one place to another so that the police never knew whether they were hurling a smoke bomb at an empty balustrade or whether there was a masked sniper there. It was like a war with trenches, but with a great deal of mobility. About 100 meters to the right was the "Park" station of the railroad from Santurce to San Julian, filled with people waiting for the train, as if nothing were happening. On the Deusto Bridge itself, only a few hundred meters to the left, a large group of people were witnessing the confrontation, as if it was a free show. The same thing held true of another group of people standing on a fence located to the right, beyond the station.

A Crane, Weapon of War

We were told how the fighters have made out of plates a kind of tank with holes so as to be able to shoot nuts with the catapults or to take out the hoses which knock down anything with their tremendous spurt of water. With them, they came close to the police tanks and put the forces of order in a difficult situation, until the latter counterattacked and managed to enter the plant with the tanks. They later went back to their entrenched positions, behind

more tanks, under the Deusto Bridge. Now, a group of individuals was preparing another new weapon against the police: a crane of enormous dimensions. Its arm was completely bent over and it was lowered to a horizontal position, thereby converting it into a fearful battering ram. Several persons installed screens in front of the window of its control cab and, when the latter started moving toward the factory gate, several masked men stationed themselves behind it and advanced, just as the infantry does in a battle, behind the tanks. The police noticed the maneuver and a genuine hail of smoke bombs fell around the crane. This caused its operator and those who had taken positions more to the rear to turn back, abandoning their improvised battering ram. Smoke bombs reached there as well. But there were masked men wearing gloves who caught them as they fell and put them in barrels filled with water, prepared for that purpose. One of the reporters observing the scene explained to us: "The smoke reacts with the water and it immediately stops flowing."

The problem for the police was that the wind was blowing against them, and the cloud of smoke that they had produced around the crane turned against them, forcing them to retreat when they had advanced a few meters.

The agile masked men located in the front line continued hurling nuts and more nuts with their catapults, while simultaneously shifting location. The firing of smoke bombs and rubber pellets did not stop for a single moment. Despite it, after the activity with the crane an interval of calmness was achieved. It was to be shortlived. Another group returned to the crane and aimed it directly at the tanks. A metal plate was placed on the accelerator and the brake was released, with the battering ram pointed toward the central tank of the police barrier. If it managed to reach it, it would topple it. The police retreated in fright upon realizing the size of the attack. But the aim had not been set and some unevenness in the road caused the crane to swerve toward the right, hitting a wall. Shortly thereafter, the police counterattacked, advancing their tanks. A veritable hail of pellets and smoke bombs fell on the factory entrance. The police entered the facilities, firing all kinds of anti-riot materials, and withdrew again when they thought that they had left the situation somewhat under control.

The Weekend Peace

The battle continued normally. Indeed, it was perfectly geared to the work schedule and continued uninterruptedly from Friday until Monday. In any event, the violence of the confrontations caused fear that at any moment there might be a fatality on either side. If the situation continues with such violence it is only a matter of time.

While, at the Euskalduna shipyards, physical aggressiveness and injuries are a normal daily occurrence, the verbal violence is becoming evident everywhere. The demonstrations express comments such as "the 800,000 are from the Civil Guard," or "We women from Euskalduna are always in the struggle." In

connection with the verbal violence, we attended a press conference held on the CC00 [Workers Committees] premises at which a general strike in the ship construction sector was called for 29 November, as well as a general strike in Vizcaya on 11 December, with protest actions, assemblies, etc. The communique was signed by the trade union confederations of CC00, ELA-STV and LAB, among others, and by the political parties PNV, HB [Herri Batasuna] and EE [Euskadiko Ezkerra (Basque Left)], as well as nine others.

The press conference at which these proposals were submitted was attended by individuals as prominent as Jon Idigoras, representing Herri Batasuna, and Roberto Leroxundi, representing Euskadiko Ezkerra, although neither of them spoke. In any event, the spokesman from LAB, the union subordinate to Herri Batasuna, stated that, insofar as they were concerned, the general strike had been called before 11 December, and described the struggle at Euskalduna as "exemplary," giving a reminder that it was necessary to back the calling of a general strike "with all the forces and all the tools that we have within our reach. Let's summon the popular classes of Euskadi to give a widespread response from their work places to this aggression against the Basque people."

We talked to a CC00 spokesman who, in view of the tone assumed by the interview, ended up asking us not to mention his name, because "one must be careful what one says here." We started discussing the agreement signed by the government with UGT regarding Euskalduna.

"The dismantling has been frozen, but labor measures have been adopted. If the activity and workers are eliminated from a company, it is difficult for it to be reactivated. Insofar as the alternative jobs are concerned, there has been nothing concrete; but merely an expression of desires on the part of the government. The plan adds nothing to the previous one."

He was asked: "It is claimed that those hurling nuts are looking for a reaction. There are even some who say that they are seeking a fatality. What do you think?"

"Officially, I can only said that it is obvious that different interests may be intermingled. We in CC00 are attempting to rationalize the conflict, some of us realizing that the seriousness of the problem could radicalize it. But it is evident that in some sectors a futile radicalization is occurring; futile for solving the problem."

"Is an attempt being made to create an urban war?"

"I don't consider myself capable of accusing anyone, specifically, of making an assessment of that type. But one need only review the history of the recent conflicts in Euskadi to realize which organizations have acted with a kind of determined participation. And that could lead to the repetition of incidents such as those which took place in Olarra and other locations. It is obvious that, among certain sectors, there is an attempt to take the conflict to that type of action. I believe that they are in the minority,

and that currently, in the factory, by means of a discussion that has been very tense at times, they have reached the general idea that matters have to be rationalized."

"But inside Euskalduna an awareness of a besieged area is being created...."

"I think that the government is cooperating in that to a large extent. We have on several occasions attempted to get the workers out in normalizing operations. The governor, for his part, claims that he will allow us to leave the plant and that he will not suppress us if there is no violence."

"Which trade union confederation has the most strength at Euskalduna?"

"ELA-STV, within which there are some very radicalized sectors. There is the fact that this position is not being upheld in other centers."

Different From Sagunto

"You have gone so far as to claim that PNV wants a pact with PSOE on the issue of reconversion."

"Yes. There is one obvious issue: the Basque Parliament must observe what model of society this country is pursuing; whether it is moving toward a centralist system or a statutory one; and the discussion of the future of the chambers of deputies is essential for this purpose. Another issue under discussion is that of terrorism. PSOE and PNV must make progress with some pacts, and it is clear that there have been negotiations between the two in which the ship construction reconversion and Euskalduna are included."

"But it is claimed that there are individuals in ELA-STV who are as radicalized as those who might be in LAB."

"Yes."

"Are those in LAB truly the most radicalized?"

"The fact is that there are sectors; I wouldn't go into specific initials. Furthermore, there are workers with little awareness of how an issue of this type is resolved. We are obviously faced with a new problem. This is the first time that a large industry has been shut down. At Sagunto, it involved a partial closing. Here, it is almost total."

"But in Sagunto all the people were behind it, and the protest was lively, but peaceful. Here, the people in Bilbao are continuing their normal lives, and the conflict is far more radicalized."

"Euskadi is different from the majority of peoples in Spain. I would say that the Basque people are moved more by the heart than by the brain. Furthermore, in Sagunto a factory very important to the society as a whole was closing. Euskalduna is a large factory within Euskadi, but it constitutes a grain of

sand within the Basque industry. That means that it would be difficult to have a strike in solidarity with extremely important problems in other industries."

The Transportation Problem

The problems at Euskalduna coincide with a strike of the urban transportation workers in the city. There are some who say that there was a deliberate intention of using this coincidence for the purpose of spreading the conflict.

In any event, the strike at TCSA (formerly TUGBSA), the company which provides transportation in Bilbao, is not merely a labor conflict. What the workers have been constantly demanding, even with lockouts and hunger strikes, is the municipalization of the service. That is something which has occurred in many cities when the left arrived in the city halls. It so happens that companies which were not costing those municipalities any money are now genuine economic drains, with deficits in the hundreds of millions of pesetas. Therefore, the city halls, even the Socialist ones, are now attempting to escape from the municipalizations through all means. Hence, the negotiations in Bilbao are difficult. The strike has continued until the Basque Government imposed a compulsory decision which is expected to normalize the situation, although there is nothing certain. The minimal services required by this same government have never been fulfilled. The few cars which managed to leave were "chased" by pickets on the street and forced to return to the car-barns. There, when the bus took off, the pickets stationed themselves in front of it and prevented its departure. Not a single worker in the shops showed up to provide minimal maintenance on the cars. Moreover, the workers who did not attend the assemblies (even though they participated in the strike, not going to work) were threatened in their homes, and their wives received phone calls with "warnings." Finally, in Bilbao there has occurred a kind of incident far different from the tone throughout Spain: the burning of buses. In this instance, it is not a labor problem but rather a political one that is involved. Every time there is a demonstration against the extraditions or over the arrest of an ETA [Basque Fatherland and Liberty Group] member, it is common for a group of five or six youths to stop a bus and force the passengers and driver to get off, then hurling a "Molotove cocktail" inside the vehicle. According to information learned by ABC, in 7 years 60 buses of the Bilbao public transportation company have been set afire, of which number 35 have been totally consumed. During the past 10 months, the number of buses set afire has been 23, and 13 have burned completely.

The Governor Speaks

Ignacio Lopez, the civil governor of Vizcaya, carries the burden of this entire situation on his shoulders. He is a man receptive to dialogue and does not evade a single one of the questions posed to him by us. He admits that, although there is a labor problem owing to the naval reconversion in Asua and at the Sestao ship construction facility, the virulence has occurred only at Euskalduna.

"It seems that everything is based on a difference of opinion regarding what constitutes upsetting order."

"We are not attempting to enforce the legislation in effect on the right to demonstrate inflexibly when there are guarantees that gatherings and demonstrations will take place in an orderly fashion. We in the civil government (and we have stated this) are willing to grant as many permits for gatherings and demonstrations as are requested of us. Naturally, we want to know that their purpose is and also to guarantee that there will not be any act of violent coercion on the part of the demonstrators. This morning, we gave permission to the women from Euskalduna to go to the factory and to leave it with their husbands. They did not do so; I don't know whether it is because they don't want to do the things that are allowed, only those which are banned."

"The fact is that a sense of a besieged city is being created at Euskalduna."

"We have necessary obligations that we cannot waive. We cannot allow the citizens moving through adjacent streets to be injured by a group of workers engaged in hurling steel ball bearings, nuts, bolts and steel bars, as well as other objects. Last week, several persons (men, women and children) who were traveling across Deusto Bridge were injured by those gentlemen. We cannot allow it. And the only way of preventing it is to assume positions, as the National Police have in the immediate areas, the vicinity and even inside the shipyard itself. What we shall not renege on at any time is the obligation that we have to guarantee the safety of the citizens who live in this town; even though this may give the impression that we are besieging them, surrounding them or whatever they claim."

Toward Urban Guerrillas

"To what extent has there been an attempt to take the conflict to the point of urban guerrilla action?"

"There is a group of individuals, numbering between 40 and 50, among the shipyard workers (and this is known to the company's own committee) who hold more violent positions than do the rest of the workers. It would be our concern to be able to remove this group which maintains totally illegal positions, because to use rubber pellet shooters with bearings is a completely demarcated crime, and bring them before the courts so that the pertinent decision could be made concerning them. On this account, the company committee has described me as a blackmailer. I think that those who wish to express their position have a perfect right to do so peacefully. Let those gentlemen be told that they must give up their activities and, if they fail to do so, let not me, but the judge, be apprised of this. Well, it seems that this is blackmail."

"Do you think that a victim is being sought in this conflict?"

"That is something which could be in people's minds, and I might believe it or not; but what I cannot do is claim it, for obvious reasons that you will understand."

"It appears that the most radicalized groups are not only those from LAB, but also those from ELA-STV, which comes under the PNV."

"What I am not certain of is whether there is a sameness of views between ESA-STV and the people from that union who are in Euskalduna. It is true that there has been a certain amount of tension, because they claim that it was in the shipyard that their union came into being. Hence, it appears that the conflict has assumed features other than the merely labor-related ones. It has different motives."

"It is claimed that the conversion of the conflict into a general strike would mean complicating the transport workers' strike further. Moreover, there is a habit here of setting fire to buses quite often."

"The transportation problem may not be so serious as it appears in certain publications. As for the fires, that is a problem associated with collective conscience of how much this country is capable of tolerating, among its fellow citizens, gentlemen who are capable of expressing themselves by shouting: "ETA, kill them." It is obvious that the collective conscience is forgetting somewhat even its own values, and there are some who regard burning a bus as a rather unimportant crime. Naturally, the government does not share this opinion."

"There have been dozens...."

"The majority in demonstrations backing terrorism. We have sometimes succeeded in arresting the guilty ones immediately, or after a certain period of time. In any event, it is a fact that more buses are burned in these provinces than in the rest of Spain."

Difficult Solution

"How do you view the solution to the conflict at Euskalduna?"

"There is a new factor which could be a key: the agreement signed by UGT. I think that the company, the administration, has given everything that it could give. Absolutely nothing new is to be expected. I believe that if the workers at Euskalduna realize this, it would be easy to end the conflict."

"Do you think that LAB would consent?"

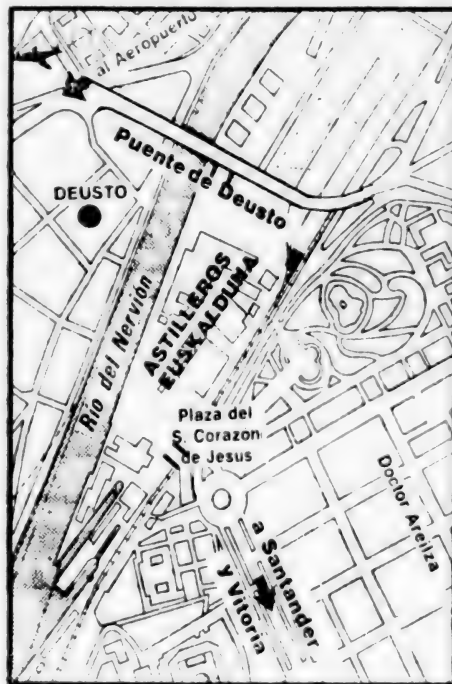
"Not at all; LAB would not consent to this at Euskalduna or anywhere else. But we must not forget that LAB is a minority union in Vizcaya. I'm not sure whether it won 5 percent of the representation in the last elections."

"Its members seem to be a majority in the vanguard of those hurling nuts and bearings."

"I cannot claim that although, knowing its record, it may be predicted that this is so."

"There is great aggressiveness against the police...."

"I think that the police have maintained and are maintaining an exemplary attitude in this conflict, and I think that this has been one of the fundamental reasons that it has not assumed greater violence. The methods that you were able to observe are confined to the company's premises themselves and to its work schedule. This is something completely isolated."



Map Caption:

The two exits of Euskalduna Shipyards have an effect on priority routes in the city. During the labor conflicts, the routes to the airport and to the Santander and Vitoria highway have been left broken down. This is due to what has been termed a "police encirclement" of the factory.

2909

CSO: 3548/52

COMMENT ON IMF, WORLD BANK ROLE IN 'STRUCTURAL READJUSTMENT'

Istanbul DUNYA in Turkish 20 Oct 84 p 1

[Editorial: "With or Without IMF"]

[Text] Events in the Southeast, like many other topics, have taken a backseat to Turkey's relations with the IMF. Nevertheless, there is an interesting development in this regard.

Reports, as yet buried in other news in the press, indicate that a new "stand-by" agreement will not be signed when the current one expires at the end of the first quarter of 1985.

This is treated in some reports as a decision by the Turkish government and in others as the IMF's idea. As would befit a "stand-by-less" 1985, there are also reports that "Ozal got tired of the IMF experiment and tight money limits" or that "the IMF backed off the politician Ozal."

In fact, it is true that Ozal is tired of the IMF and that the IMF prefers the technician Ozal. However, we must not forget that reaction is only natural to both sides. This kind of bargaining underlies IMF stand-by arrangements with all countries, not just Turkey. Whether it is a question of one side growing weary of the other or both sides of each other, as long as the situation does not become intolerable, there is no need to give up the stand-by agreement. In fact, the IMF's ongoing negotiations with Latin American countries are not easy to sever despite an almost incredible amount of friction. Turkey's relations with the IMF are not at such a pass, but exhibit a smoothness unprecedented in IMF history.

Moreover, the Turkish experiment is extremely important for the IMF. After holding it up to the world for years as "the key to success," it is not about to push Turkey over the edge and let it fall.

The whole thing has to do with being able to give the world the message that Turkey is now able to stand on its own feet without IMF support. It will thus show the world the first example of a country's ability to achieve its goals when it endures "a painful 5 or 6 years" and applies the IMF formulas.

This approach is inevitable in a way, because there was nothing in its conventional bag of tools that the IMF could give Turkey, which has been supported by stand-by arrangements for 7 years since 1978. Any new credit would upset the border-line balances involving Turkey's quota.

In addition, Turkey does not need to draw \$50 million-\$60 million every quarter from the IMF. What Turkey needs now is to enter the money markets for hundreds of millions of dollars. And, for this, the IMF is preparing to contribute beyond providing the image that Turkey "has graduated."

Those who keep close tabs on developments in international financing report that the trend towards medium- and long-term structural relations to replace the single-topic programs practiced to date is increasing at both the IMF and the World Bank. Turkey, after getting out of the laboratory of five separate stand-by arrangements in 7 years, is thought to be the candidate nearest to such a structural readjustment, considering its present loan repayment performance.

What is meant by the projected structural readjustment is not a "secret" or "mysterious" plan. Prime Minister Ozal is explaining it candidly in every speech he makes about Turkey's direction. As for meeting the need for foreign financing via the money markets during readjustment, the IMF and the World Bank will definitely retain their function as coordinating centers.

8349

CSO: 3554/19

SODEP CONFERENCE FOCUSES ON LABOR PROBLEMS, RIGHTS

Istanbul CUMHURIYET in Turkish 4 Nov 84 p 7

[Text] Speaking at a conference titled "Labor Problems and Legislation" (jointly organized by SODEP Besiktas and Uskudar branches) SODEP Chairman Erdal Inonu said: "The trio constituted by the unions, collective bargaining, and strike is an important institution of liberal democracy. Following the new labor legislation this institution (which regulates labor-employer relations) is no longer able to perform its functions adequately."

The conference was attended by many union executives, former parliamentarians, a number of SODEP executive committee members, members of SODEP Istanbul branch, and about 700 people. In his opening address Inonu stressed that the main problem of the country in the long run is development, saying "if development is realized it would be easier to resolve other problems, and in the process getting closer to establishing the principles of social state and social justice." The achievement of development largely depends on the stability of economic life, and thus it is very important that the series of price increases do not end up as inflation. "The fight with inflation thus assumes vital importance in the context of development efforts", said Inonu.

Inonu emphasized that a major part of social policies is constituted by the trio of unions, collective bargaining, and strike. He said:

"The birth and growth of this trio requires freedom. Legal constraints over this freedom, and interventions by the state prevent unions from performing their functions. It becomes difficult for collective agreements to be binding. The strike also loses its function. Therefore this trio is a major institution of liberal democracy."

Referring to the intensification of worker dismissals in recent days Inonu said:

"The dismissals of workers have reached such proportions as to prevent the free functioning of the unions. This situation vindicates the criticisms

made during the process of labor legislation."

Emphasizing that labor legislation should be brought back under review, Inonu also stated that during the negotiation of collective agreements job security should be given priority.

Speaking later Sukran Ketenci (a CUMHURİYET staff writer) offered a synopsis of the history of unionization and the union struggles, pointing out that not a single labor movement has ever been involved with terrorism. Citing the shortcomings of the new labor legislation Ketenci said:

"These laws are almost works of art! With these laws labor rights have been turned into a balloon with lots of air inside. Certain rights seem to exist on paper, but actually carry no validity."

Economist, writer and SODEP Steering Committee member Tefvik Cavdar spoke as follows:

"Today the labor movement and all laboring masses are under the merciless attack of the monetarist, or to put it differently, the money-hungry ideology."

Following Cavdar, SODEP Deputy Chairman Muzaffer Sarac took the floor. Pointing out that presently there are two thousand union executives being tried Sarac stated that before 12 Sep 80 workers were faced with the debt trap, as well as the danger of losing democracy, and the thwarting of development due to the diversion of funds into armament.

The last speaker was Korel Goymen, chairman of SODEP Istanbul branch. Goymen argued that there were "innumerable obstacles in the way of unionization, in the way of conducting collective bargaining unimpeded and under fair conditions, and being able to engage in 'effective' strikes. For our democracy to be developed in a sound manner, and for the preservation of social peace, it is absolutely necessary that the legal framework regulating worklife be changed to conform with contemporary international norms."

Attending the conference as an observer, the President of Petrol-Is Cevdet Selvi was allowed to speak upon which he criticized the new labor legislation stressing that these laws should be changed as soon as possible.

12466
CSO: 3554/39

AGGREGATE COMPANY 'BAIL OUT' PLAN UNDERWAY

Istanbul DUNYA in Turkish 3 Nov 84 pp 1,7

[Text] Plans are underway to bail out the aggregate companies so that they can function as contributing factors in the economy. In the first stage, work is underway to prepare a TL 100 billion consolidation plan, and to persuade Federal Germany to take part in the plan. A contribution of DM 75 million is expected from Federal Germany in line with the selective criteria agreed between the two countries for the support of 158 aggregate companies which are presumed to be on the danger list.

An analysis of the 260 out of the existing 344 aggregate companies conducted by the State Bank for Industrial and Labor Investment (SBILI) indicates that of these companies 9 do not have any debt, 54 though in debt do not require any support, 25 are in a critical financial situation, and 68 can be consolidated by increasing their nominal capital.

SBILI has estimated that in order to salvage 158 aggregate companies, or restore them to operational state, a sum of TL 70-100 billion would be needed in a period of two years. It was then the question of securing F. German participation appeared on the agenda. F. Germany was asked to join the 'urgent salvage program' with DM 75 million. They have not offered a firm reply as yet.

~~The plan proposed by Turkey regarding the urgent salvage program contains the following: F. German participation in the joint consolidation plan; provision of planning, consultation and education aid for newly-created aggregate companies; incentives for companies outside the danger zone which have reached the production stage, as part of the overall program of support for small and medium-sized establishments.~~

Apart from these, Turkey asked F. Germany to join the special fund to be created. In terms of this proposal, F. Germany will have a say in the issuing of fund credits, and will be able to appoint an advisor. Moreover, a group of experts will be formed to lend support to the firms' consultants. Among the proposals is one that entails paying 'adjustment supplements' to those workers making a firm return from abroad who would assume administrative positions with the aggregate companies.

Indications are that F. Germany's response to the Turkish proposals has been on the whole positive. However, F. Germany put forth the condition that "government guarantees should be extended to the encouragement of firms designated as workers' companies." Accordingly, workers' companies "needing consolidation" will be financed by T. Halk Bank and TC Ziraat Bank through funds - DM 10 million each - to be established under their auspices, and help will be given to resolve their management problems.

Meanwhile, it is envisioned that SBILI will transfer its shares in the aggregate companies (where the SBILI interest is over 50 percent) to the workers starting by the end of 1984. It has also been decided that SBILI will brief the joint study group (in which F. Germany participates) concerning the transfer procedures.

The total funds needed for the consolidation of aggregate companies during 84 and 85 has been estimated at DM 200 million. The final decision concerning the creation of this fund (to be named 'Second Special Credit Fund') will be taken at the governmental levels of both countries.

As to the 'First Special Credit Fund' which has been administered by T. Halk Bank, it will be used to finance the establishment of enterprises by Turkish workers returning home from F. Germany.

12466

CSO: 3554/39

BACKGROUND ANALYSIS OF BANKING REVENUE-EXPENDITURE POLICY

Istanbul DUNYA in Turkish 3 Nov 84 p 5

[Article by Ibrahim Toptepe, chartered auditor]

[Text] This study entails a three-year revenue-expenditure analysis of the Turkish banking system during the years 1981-1983, and the data base consists of the balance sheets compiled by the Union of Turkish Banks on an annual basis, as well as their method of classification.

Three banks - Hisarbank, Istanbul Bank and Odibank (all of which had been transferred to the custody of TC Ziraat Bank in 1982) - have been left out of this study since data relating to years 82 and 83 were unavailable in their case thus excluding the possibility of comparative analysis.

As their balance sheets comprise activities other than banking, Etibank, Sümerbank, and Denizcilik (Maritime) Bank have also been excluded from the study.

1. Economic Events and New Regulations Affecting the Turkish Banking System During 81-83:

1.1 Economic Events of the Period:

1981 was the first year in our study as well as being the second year of the implementation of 24 Jan stabilization measures. During that year such policies as incentives for exports, withdrawal of subsidies from the products of State Economic Enterprises, tight money, and free interest rates were implemented. The effects of the reorganisation of the taxation system in the final months of 80 were also felt. The rate of inflation registered a drop during that year.

In 1981 seeds of certain future developments were sown. ~~The first of these~~ was the free interest rate policy which enjoyed its golden age during 1981. At first, the banks tried to keep the rates (freed in Jul 80) below a certain level by means of gentlemen's agreements among themselves. However, some of the smaller banks intent on increasing their share of the market, as well as some of the local banks aspiring to national status tried attracting funds

whatever the cost, concluding secret agreements with their customers to secure what had become high-cost deposits.

In the meantime, some 'brokers' had joined the banks in the interest rate stakes. Some of the banks (including those already mentioned) established close cooperation with the 'brokers' in marketing the deposit certificates. The brokers collected these funds by offering high rates. The whole enterprise stood on grounds bereft of rational calculation, and the funds were not channelled into productive fields. Then the 'brokers' started experiencing difficulties, at first in paying the interest, but later in the repayment of principal. They subsequently began retiring from the scene one by one in early 82. One of the 'brokers' (known for its close relations with the banks, and enjoying a high confidence rating) collapsed in Jun 82 accelerating the imminent collapse of some of the banks. These banks were maintained on support systems for a while by the Central Bank. The crisis had been contained without further spreading to the system.

Despite initial efforts to sustain them, the three banks - Hisarbank, Istanbul Bank, and Odibank - could no longer bear the blows to their financial structure. They were first placed under the authority of provisional boards, and then were incorporated into TC Ziraat Bank, thus bowing out of the system. These banks had allowed their shareholders and companies full use of the funds they collected at very high costs. The collapse of other banks followed suit e.g. Isci Kredi Bank in 83, and T. Bagcilar Bank in 1984.

Export credits issued as part of export incentive program in 1981 soon became the bankers' nightmare, constituting a good portion of the frozen debts.

During the first years of export credits, the banks' inexperience in these fields, their failure to be adequately informed, and other factors combined to produce adverse results.

During the years 82 and 83, one of the most discussed economic themes had been the interest rate policies. Loan and deposit rates have been subjected to frequent alteration by the public authorities in an effort to lower banking costs.

The wholesale price index rose from 19 percent during the first seven months of 83 to 30 percent at the end of the year.

The rise in exports was not sufficient to close the gap in the balance of payments.

Budget deficits continued, so have efforts to plug them by means of supplementary budgets.

Certain firms which could not withstand the increased costs and falling demand during 1983 were saved from bankruptcy through salvage operations enabling them to continue in business. ~~Some banks took part in these operations.~~

The rise in inflation, and the drop in the rate of increase in exports and bank deposits led to a new series of measures to be taken at the end of 83 and the beginning of 84.

1.2 Regulatory Rearrangements in Banking:

The new regulatory arrangements affecting the resource and cost structure of banks involve such items as interest rates, reserve requirement for deposits, liquidity ratio, deductions from Interest Rate Differential Rebate Fund, the rebates offered by the Fund, and Banking and Insurance Transactions Tax.

Loan and deposit rates (which account for a sizeable portion of the banks' revenues and expenditure) are now determined by public authorities.

The Cabinet Directive no. 8/909 issued in 1980 remained in force until the end of 1982. During this time the 'free' loan and interest rates were determined by means of inter-bank agreements. Yet, however 'free' the rates might have been they were still constrained by these gentlemen's agreements.

In Dec 82 this freedom had altogether vanished. The excessive rise in the rates had become a burden on the banks, compelling the public authorities into lowering them. This time the rates were determined by the nine largest banks. The new rates turned out to be 10 percentage points below the previous rates. The intention was to put the banks into a position to offer easier credits now that their costs had been reduced. After remaining six months in force, the rates were further dropped by 5 percentage points in Jul 83. The differential between deposit and loan rates were maintained. The lowering of the rates led to a decrease in deposits. A new period of high interest rates started in Dec 83 with the rates controlled by public authorities.

The Reserve requirement for deposits is frequently used as an instrument of monetary policy. Reserve requirement has various uses among which are: selective issuing of credits through an optional reserve policy; lowering the banking costs through payment of interest to reserves; disciplining the banks through imposition of penalty rates.

A directive issued in Dec 82 set the reserve requirement for fixed-term and regular deposits at 25 percent. Minimum liquidity for the banks was set at 10 percent.

The deductions in the Interest Rate Differentials Rebate Fund (which was set up to channel funds into selected sectors) were changed between 7.5-15 percent. Different rates of rebates have applied as to the debtors and the banks regarding credits used in the sectors receiving incentives.

The Banking and Insurance Transactions Tax (which the banks deduct from their receipts of interest) was set at 15 percent on 1 May 81, to be reduced to 3 percent on 19 Dec 83 with the argument that it contributes to the high cost of credit.

Apart from these regulatory arrangements there has been (what might be called) a structural reorganization during the period under review with the Governmental Directive No. 70 Concerning Banks (carrying the force of law). Dated 22 Jul 83 the directive included such items as the founding of the banks, their founders, the type of credit they may issue, their system of operation, their audits and liquidation. It is clear that these items will have a direct and indirect impact on banks' revenues and expenditures.

2. Resources and Their Distribution

In this section the resource structure and resource distribution of the system is briefly evaluated.

When we take a general look at the banks' resources, we can say that the long-standing trends in the Turkish banking system have not changed much during the last two years. Foreign funds continue to take the major share of the total, and domestic funds are insufficient.

Nominal rises have been recorded in deposits as a result of high interest rate policies. In an economy where savings do not increase in a real sense, where deposits increase due to dissolution of wealth, 'real' increases in deposits are confined to small amounts.

The decrease in Central Bank facilities due to tight money policies (which is part of stabilization policies) has meant that the share of government bonds in the overall resource structure has gone down.

Looking at the utilization of funds by the banks, we see a real increase, however small, during the last three years. The total utilization of funds was TL 62,522 million in 1981, TL 76,191 million in 1982, and TL 78,534 million in 1983 (in real terms), thus producing a 25.6 percent rise during 1981-83.

While the share of banks founded by means of special legislation climbed from 40.8 to 43.6 percent, and that of foreign banks from 3.6 to 4.5 percent, the share of commercial banks went down from 55.6 to 51.9 percent in terms of fund utilization.

While liquid assets were high in 81, there were some slight reductions during 82 and 83. The increase in 'unused' reserves may have been favorable from the depositors' point of view but the consequent decrease in the amount of usable funds causes overheads to rise which in turn makes the usage of these funds highly problematic.

While the real increase in credits was 2.4 percent between 81-82, there was a real decrease of 10.8 percent in 83. The reasons for this decrease were: the decrease in funds, the change in the banks' credit policies, and tight money policies.

While immovable assets constitute a major portion of the active resources of the banking system, the rise in their ratios at commercial banks should be closely monitored.

The 'reserve requirement' fluctuates in response to the rises and falls in deposits.

Tight money policies, the decrease in the amount of usable funds, the freezing of credits, the increase in immovable assets are the major problems faced by the banks with regard to the utilization of their active resources.

12466
CS0: 3554/42

MODERN MANAGEMENT ADVOCATED AS BUREAUCRATIC SALVE

Istanbul TERCUMAN in Turkish 20 Oct 84 p 6

[Article by Mukbil Ozyoruk in the column "The Decision Is Yours": "Why Is Bureaucracy Breaking Down?"; passages enclosed in slantlines printed in boldface]

[Text] Our colleague Taha Akyol wrote an article in last Tuesday's paper entitled "Bureaucratic Breakdown." Our colleague Akyol had attended a meeting of the Supreme Planning Council. He had watched there as both certain higher-ups from the State Planning Organization and some top administrators of state enterprises either made up answers or tried to avoid questions directed to them by the prime minister himself about their major problems. He gave interesting examples. A "tea official," for instance, said world tea prices were "3.5," but did not know whether that was dollars or sterling. The official used "sterling," and the prime minister corrected it to "dollars." A man in a responsible position at the dairy industry did not know what world milk prices were; another had no idea of the "operating capital" status of the business he headed and said "1.5 billion" for what should have been /around 30 billion/; another who ought to know the capacity of our feed industry let a minister answer the question when the prime minister asked, since he did not know. And that is how it went.

Our colleague Akyol was led by this scene to begin thinking of "intellectual and professional burnout." The United States-based International Institute of [Public] Management has made a study of the "intellectual and professional burnout" of people who have completed the course of training there and returned to their own countries. I believe that assessment "vis-a-vis conditions in Turkey" of the results of such a study would require a second professional treatise. Couldn't we, though, attempt some "home-grown" insights into the phenomenon in the meantime? It cannot hurt:

For some reason, whenever the SEE's [State Economic Enterprises] come up, everyone latches onto their management rules and talks about how they have become public feeding troughs. /But what about top managers at the SEE's?/ This is the main problem. This is the job laid out for us. It is impossible to have men "of our own" or to say, "Here is a brilliant executive. Let's give him a chance and see what he can do." There is a need for men of experience who have proved their capability within "the resources of the state sector." /They must be free to appoint their own staffs, not have them imposed./ If a minister does not work with the general directors himself and appoints an outside person to do it, it

always ends in a mess. The person appointed to head an enterprise must be capable of selecting his own staff on "merit" alone and he must be given the freedom to make this selection. A general director surrounded by incompetents is just as unproductive as the "egocentrics" who think "everything starts and ends with me." The productive manager cannot receive guests all day and get down to work after 1800 hours. Let him get up and go home at 1800 if he wants to, but let him take the problems of his business "home with him" in his head. He should be the kind who cannot sleep at night for wondering what caused one thing and how the other happened. He should not only run the day-to-day business but also "concern himself with the future." He should be /a master/ of "follow-through" and "delegation of authority." He should not only know his business "from the inside out," but "from the outside in" as well. He should not make excuses for things that go wrong, but recognize them immediately and come up with a "remedy." He should be able to "stand up to" his superiors when necessary. He should not closet himself in his office, glued to his desk, but should be out in his organization and get to know it well. He should stand up for his workers, but not regard the "productive" and "nonproductive" ones as equal. He should conduct himself as if the profits and losses of his organization were his own and as if he would be holding that job for the rest of his life, but at the same time be ready to pack up and go the next day.

And anyone who "does not know his job" should be relieved instantly.

8349

CSO: 3554/19

OVERVIEW OF OZAL AGRICULTURAL REFORM BILL

Istanbul CUMHURİYET in Turkish 14 Nov 84 pp 1,11

[Text] Ankara - The "bill on agricultural reform concerning the organization of land in irrigated areas", enactment of which is required by the Constitution, has been submitted to the office of the Speaker of the Grand National Assembly. According to the bill, that portion of the agricultural lands in the area of implementation (other than gardens, orchards, and forests) belonging to either natural or legal persons and which exceed a certain times the distributive norm established for the region, as well as the agricultural facilities thereupon, will be nationalized.

The lands to be left to the owner during the nationalization process will be able to be increased by the Council of Ministers by a maximum of 50 percent. In other areas declared to be areas of implementation, the Council of Ministers will be able, if necessary, to nationalize the land and other real property in their entirety. Compensation for the land and any real property thereon will be determined by a "Compensation Assessment Commission."

The areas of implementation of the reform will be determined by the Council of Ministers.

Upon the announcement of the implementation decision, lands wholly or partially nationalized will be placed at the disposition of the General Directorate of Land and Agricultural Reform.

The General Directorate will be able to carry out consolidation of land, as well as engage in supportive measures, such as land reclamation and facilitation of credit opportunities.

The General Directorate of Land and Agricultural Reform will be able to distribute and rent out the agricultural land in its disposition to farmers with no land or insufficient land, as well as utilize it for the realization of settlement projects and land consolidation. This land will also be able to be allotted to agricultural production, training, and research centers, or to agricultural concerns. If necessary, it will also be able to be exchanged for land of the same value owned by both natural and legal persons.

Those qualifying to receive land from the distribution will receive an amount of land the yearly agricultural production of which will be sufficient to produce an income of not less than 1 million lira, based on the 1984 wholesale price index. By decision of the Council of Ministers, the area of land allotted may be increased by up to a factor of one.

According to the bill, those benefitting by the land distribution and those subjected to agricultural settlement will be indebted to the General Directorate for the market value of the land and any real property on it. These debts will be repaid over 10 years, in 10 equal payments, and without any interest being charged. The land will be taken back from those who, without valid excuse, fail to work the land for any three consecutive years, and from those who do not pay their debts and other credit received in accordance with the set schedule. Lands distributed will not be permitted to be divided, and will be permitted to be sold, rented out, or otherwise transferred except through inheritance.

Ownership and possession of these lands, whether belonging to natural or legal persons, will not be permitted to be transferred or conveyed to another. These lands will not be allowed to be mortgaged or made subject to promises to sell. This period of restriction, however, will not exceed five years. The same procedures will also be prohibited until such time as irrigation systems are complete and irrigation actually begun. In this case, the period of restriction will not exceed ten years.

According to the bill, new settlement areas may be established in the implementation area by decision of the Council of Ministers, while existing villages and settlements smaller than villages may be combined.

Farmers receiving land will be supported with credit. As for the nationalization of real estate belonging to foreigners, this will be decided by the Council of Ministers. Agricultural land in the reform areas will not be used for non-agricultural purposes except in cases of overriding necessity.

A fund, entitled the "Agricultural Reform Fund", will be established in connection with the implementation of the services contained in the law. All the operations of the fund earlier established by Land and Agriculture Reform Law Number 1757, now repealed, will be transferred to the new fund. The fund's revenues will be deposited in an account to be opened with the Agriculture Bank, and the fund will be supervised by the Supreme Control Council.

According to temporary articles in the bill, individuals whose lands were nationalized by Law Number 1757, if they make application within six months, will be able to benefit by provisions on return of these lands to their owners. If the lands to be thus returned have not been allocated or distributed, the compensation pay and interest will not be paid. If the land has been allocated or distributed, however, it will be returned. The compensation pay, to be determined in accordance with the quantity of land nationalized, will be paid to the original owner along with all interest. The bill also contains provisions for the division and transfer of land.

nationalized by Law Number 1757 but, because of the repeal of that law, never divided and actually transferred.

Included among the goals of the bill are the provision of land to landless farmers and the consolidation of fragmented agricultural lands.

The bill is to be discussed and decided upon a priority basis this week in tomorrow's, Friday's, and Saturday's sessions of the Assembly's Committee on Agriculture, Forests, and Rural Affairs.

9172

CCC: 3554/17

DEI PERSONNEL NOTES DYSFUNCTIONS

Athens I KATHIMERINI in Greek 27 Nov 84 p 7

/Excerpt/ In a press conference yesterday, spokesmen of the Federation of the Public Power Corporation Employees /OME-DEI/ pointed out significant data of an economic, organizational and operational nature which contribute to DEI's irregular operation. It was particularly revealed that in 1983 DEI received loans in excess of 125 billion drachmas while the total interest and redemption (including foreign exchange changes) DEI paid during the same year reached 92 billion drachmas. In 1981 DEI's loans had reached nearly 59 billion drachmas.

It was thus ascertained that the new DEI loans are almost totally spent not for new investments as its management claims but for repaying the maturing interest-bearing loans. It is noted that the DEI domestic loan interest rates fluctuate around 18.5 percent while those of loans made abroad are fluctuating constantly. The OME-DEI spokesmen added during the conference that:

a. Not one new DEI unit was added during the last 3 years of PASOK rule as a result of DEI's poor operation and management. The installed DEI capacity was 6,067,020 MW in 1981, 6,079,723 MW in 1982, and 6,088,878 MW in 1983.

The efficiency of DEI's equipment and especially of the excavators and diggers at the Ptolemais Northern Field has decreased to an unacceptable low level which, according to OME, is due to the dismissal of experienced cadres on the basis of non-service-connected criteria and on irrational scheduling. The returns at the E1, E2, and E3 excavations at Ptolemais represented respectively 16 percent, 14 percent and 18 percent of their efficiency.

b. The purchased equipment valued at 10 billion drachmas (mainly four excavators), which are destined for Ptolemais were delivered to DEI without testing them, since the delivery was in essence made without knowledge of their efficiency for lack of moving platforms and spare parts.

c. The excavators will remain idle for at least 2 years because the PYRKAL Company has not yet started construction of platforms and shovels, since as is known, it does not have the necessary infrastructure. An immense investment of 10 billion drachmas will thus remain useless.

7520

CSO: 3521/94

IRAQ PIPELINE STATISTICS; BIDDING ON NEW LINE

Istanbul DUNYA in Turkish 14 Nov 84 p 3

[Text] Ankara - 135,000 tons of petroleum per day is being pumped from Iraq to Turkey through the petroleum pipeline.

The quantity of crude oil pumped through the pipeline was previously about 100,000 tons per day. After the expansion project was completed, however, there was a 35-percent increase in the amount of crude oil pumped to Yumurtalik from the Iraqi city of Kirkuk.

With the completion of the expansion efforts, the annual capacity of the 981-kilometer Iraq-Turkey pipeline (of which 340 kilometers are in Iraq and 641 kilometers in Turkey) will be increased from 35 million to 47 million tons.

In 1983, 34.3 million tons of crude oil were pumped into Turkey to be transported and loaded by Botas [Pipelines and Petroleum Transport Corporation].

The 15-month effort to expand the capacity of the Iraqi-Turkish oil pipeline has cost Turkey 55 million dollars.

Second petroleum pipeline on agenda

In addition, regarding the second crude oil pipeline which Turkish and Iraqi officials have agreed on and which is planned to be built in parallel with the existing pipeline, three firms, from West Germany, Italy, and the U.S., have registered proposals to carry out the engineering and feasibility studies in response to the bidding opened by Botas in September.

9173

CSO: 3554/47

STATUS REPORT ON KARAKAYA DAM, HYDROELECTRIC PLANT

Ankara DEVLET SU ISLERI BULTENI in Turkish Jul 84 pp 12-17

[Excerpts] Karakaya Dam and Hydroelectric Powerplant to Go into Service with First Unit in 1986

Installation work has begun on the first generating unit of the powerplant at the Karakaya Dam, which eventually will generate 7.5 billion kilowatt-hours of electricity annually. Meanwhile, the body of the dam itself has been one-quarter completed.

The first generating unit of the Karakaya Dam and Hydroelectric Powerplant, on which installation work has already begun, will go into operation in 1986, while the remaining five units will enter service at intervals until late 1988.

One-quarter of the main dam structure, which will eventually be 173 meters high and contain 2 million cubic meters of concrete, has been completed.

Approximately 10 billion cubic meters of water will accumulate in the reservoir behind the dam, which when it enters service will be the largest producer of hydroelectric energy in Turkey.

To date, 180 billion liras have been expended on the Karakaya Dam and Hydroelectric Powerplant, construction of which began in 1977.

450,000 cubic meters of concrete have been poured at the dam, which is of the arched concrete gravity type and will have a total volume of 2 million cubic meters of concrete. 74,000 cubic meters of concrete have been poured to date on the powerplant portion, which eventually will consist of 600,000 cubic meters.

When complete, the dam will be 173 meters high, measured from its base; the height of the concrete currently varies between 12 and 50 meters.

Installation work has begun on the intake pipe of the powerplant's number-one generating unit.

Two 400-ton-capacity cranes, to be used in turbine installation, have been brought to the dam site, as have components for the gate-valve room crane.

Work has begun on the steel plating of the outlet portion of the number-one diversion tunnel. The gates of the number-one diversion tunnel have been closed and the outlet portion filled with clay, while the tunnel has been emptied of water.

In October of 1982, the Euphrates River was diverted through tunnels for the second time (after the Keban Dam) at the Karakaya. After the first stage of this diversion, work is continuing ahead of schedule due to the efforts of the contractor. This development at the Karakaya, one of Turkey's largest energy projects, is the finest example of the way Turkey is struggling to break the chains of underdevelopment and escape from poverty.

We are conscious that such long-term investment projects must be completed as soon as possible in order to raise our nation's level of economic development, and the State Hydraulic Affairs Directorate is thus happy to contribute to such a major project.

One-Third of Karakaya Dam Completed - 15 July 1984, Diyarbakir

Construction of the Karakaya Dam, Turkey's second (after the Ataturk Dam) large energy-producing dam, is 35 percent completed.

Officials of the Italian contracting firm have stated that work has been intensified in order that construction of the dam may be completed six months ahead of schedule, and that a round-the-clock work schedule is being applied on a 5 - 6 days per week basis.

The officials stated that, in the event that the Karakaya Dam and Hydroelectric Powerplant is completed six months early, the gain to the Turkish economy will amount to 140 billion liras.

The height of the Karakaya Dam from its base will be 173 meters; the second (after the Ataturk Dam) large power-generating dam project in Turkey, it will generate 7.5 billion kilowatt-hours of energy per year upon completion.

9173

CSO: 3554/44

ESKISEHIR OIL PROSPECTS; GOKOVA POLLUTION DEBATE

Istanbul CUMHURİYET in Turkish 4 Nov 84 pp 1,8

[Text] Having examined the sample of 'oil' (found in the basement of a house in Eskisehir and sent by the owner of the house to Ankara), the authorities determined that it was 'crude oil'. Inspecting the said house, the Minister of Energy and Natural Resources Cemal Buyukbas said: "Eskisehir could well become an oil region in Turkey."

Buyukbas who has been inspecting Fikret Tekin's house (the site of the oil discovery) along with the Mayor of Eskisehir Sezai Aksoy, and his entourage said that he had "personally" ordered the samples (brought by Mr. Tekin to Ankara) to be analyzed, and that reports have indicated that the samples were indeed crude oil.

Explaining that a fault-line runs from Cayirhan in Central Anatolia to Adapazari, Buyukbas stated:

"It is possible that oil may be found along the fault-line. In order that the situation in Eskisehir be clarified I will send a team of experts from the Institute of Mining Research who will determine the amount of the reserves, conduct geological surveys, and do some drilling. The truth will come out after these studies."

The Minister also stated that there are oil sands in the Eskisehir region, and that this may point to the presence of oil. He said:

"Once again I say that the sample brought to me in Ankara is oil. If oil gushes out here, I would move Eskisehir up the hill, building an entirely new town."

Power Station in Gokova

The Minister of Energy and Natural Resources touched upon the issue of the thermal plant to be built in Gokova, arguing that any pollution caused by this plant would be far below world standards.

According to Buyukbas, it was the inhabitants of Turkevleri who have been misled in particular. The plant is to be located 1.5 kilometers from the village, and that the expropriation of the village is not in the cards at all. He said:

"Some of the villagers want the plant to be built, while others oppose it because they are misled by certain people. A woman of seventy-five told me that they did not want the plant. How can this woman know anything about the costs and benefits? I repeat, the ensuing pollution will be far below world standards. For instance I can say that the pollution in Gokova will be one-fourth that of Ankara."

The Minister announced that the Gokova thermal power station will be completed in 42 months.

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